



FIRST THINGS FIRST

Ready for School. Set for Life.

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**Arizona Early Childhood Development and Health Board
4000 North Central, Suite 800
Phoenix, Arizona 85012**

Quality First Scholarships

**Request for Grant Application (RFGA)
FTF-STATE-15-0484-00**

Deadline	Grant Applications shall be submitted on or before 10:00 a.m. (Arizona MST) on December 4, 2013 at First Things First, 4000 North Central Avenue, Suite 800, Phoenix, Arizona 85012.
Procurement Guidelines	<p>In accordance with A.R.S §41-2701, competitive sealed grant Applications for the services specified within this document will be received by First Things First at the above-specified location until the time and date cited. Grant Applications received by the correct time and date will be opened and the name of each Applicant will be publicly read.</p> <p>Grant Applications must be in the actual possession of First Things First on or prior to the exact time and date indicated above. Telefaxed, electronic, or late grant Applications <u>shall not</u> be considered.</p> <p>Grant Applications must be submitted in a sealed envelope with the RFGA Number and the Applicant's name and address clearly indicated on the envelope.</p> <p>All Applications must be typewritten and a complete grant Application returned along with the offer by the time and date cited above. Additional instructions for preparing a grant Application are included within this document.</p> <p>Applicants are strongly encouraged to read the entire Request for Grant Application document carefully.</p> <p>It is the sole responsibility of Applicants to check the First Things First website for any changes to this RFGA, http://azftf.gov.</p>
Pre-Application Conference	Prospective Applicants are encouraged to attend a Pre-Application Conference on October 24, 2013 at 3:00 p.m. at First Things First, 4000 N. Central Ave., Suite 800, 8 th Floor Board Room in Phoenix, Arizona. The purpose of the meeting is to discuss and clarify this Request for Grant Application.
Special Accommodations	Persons with a disability may request reasonable accommodation such as a sign language interpreter by contacting the Fiscal and Contracts Specialist at grants@azftf.gov or via Fax (602) 265-0009. Requests should be made as early as possible to allow time to arrange the accommodation.
Contract Information	<p><u>Service</u>: First Things First Regional Funding</p> <p><u>Contract Type</u>: Cost Reimbursement</p> <p><u>Contract Term</u>: The effective date of this Contract shall be the date that the First Things First designee signs the Offer and Acceptance form or other official contract form (estimated July 1, 2014) and shall remain in effect until June 30, 2015, unless terminated, cancelled or extended as otherwise provided herein.</p>
Contact Information	<p>Fiscal and Contracts Specialist</p> <p>First Things First</p> <p>Fax: (602) 265-0009</p> <p>Email: grants@azftf.gov</p>



FIRST THINGS FIRST

The right system for bright futures

CERTIFICATION

TO THE STATE OF ARIZONA, ARIZONA EARLY CHILDHOOD DEVELOPMENT AND HEALTH BOARD:

If awarded a grant, the Undersigned hereby agrees to all terms, conditions, requirements and amendments in this request for grant Application and any written exceptions, as accepted by the Arizona Early Childhood Development and Health Board in the Application.

APPLICANT OFFER

Arizona Transaction (Sales) Privilege Tax License No.: _____ Name of Point of Contact Concerning this Application: _____

_____ Name: _____

Federal Employer Identification No.: _____ Phone: _____ Fax: _____

_____ E-Mail: _____

_____ Signature of Person Authorized to Sign Offer

_____ Printed Name

_____ Title

By signature in the Offer section above, the Applicant certifies:

1. The submission of the Application did not involve collusion or other anti-competitive practices.
2. The Applicant shall not discriminate against any employee or Applicant for employment in violation of Federal Executive Order 11246, State Executive Order 99-4 or A.R.S. §41-1461 through §1465.
3. The Applicant has not given, offered to give, nor intends to give at any time hereafter any economic opportunity, future employment, gift, loan, gratuity, special discount, trip, favor, or service to a public servant in connection with the submitted offer. Failure to provide a valid signature affirming the stipulations required by this clause shall result in rejection of the offer. Signing the offer with a false statement shall void the offer, any resulting contract and may be subject to legal remedies provided by law.

ACCEPTANCE OF APPLICATION

The Application is hereby accepted. The Applicant is now bound to perform as stated in the Applicant's grant Application as accepted by the Arizona Early Childhood Development and Health Board and the Request for Grant Application document, including all terms, conditions, requirements, amendments, and/or exhibits.

This grant shall henceforth be referred to as Grant No. _____

Arizona Early Childhood Development and Health Board,
Awarded this _____ day of _____, 20____

First Things First Designated Authorizing Official

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Overview of First Things First

On November 7, 2006, Arizonans made an historic decision on behalf of our state's youngest citizens. By majority vote, they made a commitment to all Arizona children 5 and younger, that children would have the tools they need to arrive at school healthy and ready to succeed. The voters backed that promise with an 80-cent per pack increase on tobacco products to provide dedicated and sustainable funding for early childhood services for our youngest children. The initiative created the statewide First Things First board and the 31 regional partnership councils that share the responsibility of ensuring that these early childhood funds are spent on strategies that will result in improved education and health outcomes for kids 5 and younger.

First Things First is designed to meet the diverse needs of Arizona communities. The regional councils are comprised of community volunteers, with each member representing a specific segment of the community that has a role in ensuring that Arizona's children grow up to be ready for school, set for life: parents, leaders of faith communities, tribal representatives, educators, health professionals, business leaders, and philanthropists.

First Things First Strategic Direction

FTF's commitment to young children means more than simply funding programs and services. It means having a shared vision about what being prepared for kindergarten actually means. First Things First specifies that programs and services funded by the FTF Board and Regional Partnership Councils are to address one or more of the following Goal Areas as defined by the statute:

- Improve the quality of early childhood development and health programs.
- Increase the access to quality early childhood development and health programs.
- Increase access to preventive health care and health screenings for children through age five.
- Offer parent and family support and education concerning early childhood development and literacy.
- Provide professional development and training for early childhood development and health providers.
- Increase coordination of early childhood development and health programs and provide public information about the importance of early childhood development and health.

The FTF Board established a strategic framework with a set of school readiness indicators that provide a comprehensive composite measure to show whether young children are ready for success as they prepare to enter kindergarten. The strategies funded by FTF work collectively to develop a comprehensive system across the state and regionally to address the school readiness indicators. The FTF Board and Regional Partnership Councils determine the priorities and strategies to be funded across the state and throughout the regions assessing the challenges and building on the resources and assets in place.

School Readiness Indicators

1. #/% children demonstrating school readiness at kindergarten entry in the development domains of social-emotional, language and literacy, cognitive and motor and physical.
2. #/% of children enrolled in an early care and education program with a Quality First rating of 3-5 stars.
3. #/% of children with special needs enrolled in an inclusive early care and education program with a Quality First rating of 3-5 stars.
4. #/% of families that spend no more than 10% of the regional median family income on quality care and education with a Quality First rating of 3-5 stars.
5. % of children with newly identified developmental delays during the kindergarten year.
6. #/% of children entering kindergarten exiting preschool special education to regular education.
7. #/% of children ages 2-4 at a healthy weight (Body Mass Index-BMI).
8. #/% of children receiving at least six well child visits within the first 15 months of life.
9. #/% of children age 5 with untreated tooth decay.
10. % of families who report they are competent and confident about their ability to support their child's safety, health and wellbeing.

What is the Funding Source?

First Things First provides for distribution of funding through both statewide and regional grants. Statewide programs are considered those implemented across regional boundaries and are designed to benefit Arizona's children as a whole. Regional funding is based on the approval of the Regional Partnership Council funding plans submitted to the FTF Board each year. This Request for Grant Application (RFGA) uses regional funding for implementation of the statewide strategy Quality First Scholarships.

Who is Eligible to Apply for this Funding Opportunity?

First Things First awards grants to:

- Non-profit 501 (c) (3) organizations providing services in Arizona (both secular and faith-based)
- Units of Arizona government (local, county and state entities as well as schools and school districts)
- Federally recognized Tribal governments or entities providing services within Arizona
- Arizona institutions of higher learning (colleges and universities)
- Private organizations providing services in Arizona

All potential Applicants must demonstrate organizational, fiscal and programmatic capacity to meet the requirements described in the scope of work listed in this RFGA.

What is the Total Funding Amount Available in this Request for Grant Application?

This is a twelve (12) month contract for the fiscal year ending June 30, 2015, with an option to renew for four (4) additional twelve (12) month periods. Total funds available are approximately \$53,601,763.00 for the first funding period, of which \$700,723.00 is available to the grantee to administer the program and the remaining \$52,901,040.00 are for direct scholarship awards. The applicant should anticipate marginal changes in the total funds available before the contract year begins. These changes will be communicated to the successful applicant upon final First Things First Board approval of regional funding plans. First Things First reserves the right not to award the entire amount of available funds or to award an amount that is greater than the posted available funds. Renewal will be contingent upon satisfactory contract performance, evaluation, availability of funds and any potential future model changes. First Things First intends to make one statewide award for this RFGA; however, First Things First reserves the right to award multiple awards dependent on the quality and rationale in the proposals submitted providing justification for multiple awards which clearly provide seamless and consistent services in a statewide, fully accountable model.

Scope of Work: What Strategy Will This Grant Fund and How Will It Make a Difference for Children?

Statement of Need

First Things First has identified a need to provide access to quality early care and education for Arizona children ages birth through five, not yet in kindergarten, through a scholarship strategy known as Quality First Scholarships. Access to quality programs has long been denied to children whose parents cannot pay the cost of a quality program and who do not qualify or cannot access programs funded through federal or state budgets. Currently, 50% of Arizona's children under the age of 6 reside in families with incomes at or below 200% of the Federal Poverty Level.¹ Without sufficient resources, low-income families often lack the opportunity to choose higher quality early care and education options for their children compared with their more affluent counterparts.

Every young child in Arizona should have equal opportunity for high-quality early care and education, which promotes their social, emotional, cognitive and physical development. Neuroscientists, economists and educators are aligned in identifying that early care and education beginning at birth is an investment that pays dividends as children enter kindergarten and move through the early elementary grades, transition to college and career, and become adult citizens in their community. Early care and education may take place in the family home environment, in informal family, friend and neighbor community settings, and in more formalized programs provided in centers, schools and home-based settings. Families that

¹ National Center for Children in Poverty. (2011). Available at: http://nccp.org/profiles/AZ_profile_6.html

choose early care and education programs for their children do so for a variety of reasons, and should have options for programs that are high quality; provide choices for part-day or full-day, part-year or full-year; available where families live and work; and, are affordable and within reach of family budgets.

First Things First unequivocally recognizes quality, access and affordability as the essential elements of an early care and education system. Quality, access and affordability are inextricably linked: the combination of all three must be included in a comprehensive model that offers access for families to affordable, programs that provide quality early childhood experiences for their young children.

Child care scholarships have proven to be an effective tool in Arizona to help families access affordable, quality early care and education. Scholarships ensure a stable, safe and quality experience for young children, and provide more sustainable funding as part of a comprehensive financing model for the early care and education system.

Strategy Overview

First Things First envisions a comprehensive early care and education system that addresses quality, accessibility and affordability. High quality is promoted and assessed by Quality First, First Things First's signature quality improvement and rating system for regulated early care and education settings. There are two types of participation in Quality First: Full Participation, and; Rating Only. Programs in full participation are eligible for a variety of services including coaching, assessment, financial incentives, Quality First Scholarships, child care health consultation, Birth to Five Helpline and TEACH Early Childhood Arizona® Scholarships. Programs in rating only participation are eligible for coaching, assessment and Quality First Scholarships.

High quality programs must be both accessible to all children and affordable for families of every income level. Quality First Scholarships promote affordability of a variety of quality early care and education settings, offering families the ability to choose the setting that best meets their needs. Additionally, quality early care and education must be accessible to families where they live and work in addition to children of all abilities and needs. It is the intent of First Things First to ensure that all early care and education programs actively include children with special needs.

The Quality First model ties financing and quality through Quality First Scholarships. Scholarships are intended to provide access to high quality early care and education services for children who live in households that have an income of 200% of poverty level or below of the most recently published Health and Human Services Federal Poverty Guidelines.

First Things First is seeking a successful applicant to provide administrative and programmatic oversight in the timely, accurate distribution of Quality First Scholarships, with exemplary customer service and quality assurance components.

Quality First Scholarships

Quality First Scholarships are payments made to an early care and education provider, either child care center or family child care home, for the full or partial cost of care. Quality First Scholarships are only available to programs enrolled in Quality First (both Full Participation and Rating Only participation), Arizona's Quality Improvement and Rating System with a Quality First Rating of 2, 3, 4 or 5. Programs with a Quality First rating of 1 or who are on the wait list for Quality First are not eligible for Quality First Scholarships. First Things First will designate the programs participating in Quality First. The following regions are funding Quality First Scholarships in Fiscal Year 2015:

1. Cochise
2. Coconino
3. Colorado River Indian Tribes
4. East Maricopa
5. Gila
6. Gila River Indian Community
7. Graham/Greenlee
8. LaPaz/Mohave
9. Navajo Nation
10. Navajo/Apache
11. Northwest Maricopa
12. Pascua Yaqui Tribe
13. Phoenix – North
14. Phoenix – South
15. Pima – North
16. Pima - South
17. Pinal
18. Santa Cruz
19. Southeast Maricopa
20. Southwest Maricopa
21. White Mountain Apache Tribe
22. Yavapai
23. Yuma

Exhibit A, First Thing First Regional Boundary Descriptions, indicates current regional boundary descriptions. These descriptions may be updated or changed by FTF based on a variety of factors. Applicants and awardees are responsible for ensuring they have and use the most current descriptions.

The number of scholarships and amount of funding is based upon the program's size and Quality First rating. As early care and education programs increase their Quality First rating, more financing will be available in number and rate of reimbursement of scholarships as quality increases the cost of providing early care and education services. Additional detail about the Quality First Scholarship strategy can be found in Exhibits B and C, Strategy Summary – Quality First Scholarships and Standard of Practice – Quality First Scholarships, respectively.

Quality First Scholarships are awarded to programs based on the quality rating and size (as determined by FTF based on the regulated capacity of children birth – age 5, not in kindergarten). Exhibit D, Quality First Base Model Slots, includes the targeted number of scholarships slots each Quality First participant will receive. The reimbursement rate of the scholarships is based on the program's quality rating and the age of the child awarded the scholarship. Exhibit E, Quality First Scholarship Reimbursement Rates, delineates the reimbursement rates of scholarships by quality rating and age of child.

Exhibit F, Quality First Scholarship Implementation Guide provides detailed information about how scholarships will be allocated to Quality First participants. Although First Things First will determine initial award slot numbers and reallocation slot numbers, the successful applicant must understand the allocation process in order to clearly communicate this process to programs that call the customer service line with questions.

Some regions have funded additional scholarships, beyond the amount determined available based on the model numbers allotted in Quality First participation. Additional scholarships are awarded to Quality First participants in the manner identified by each Regional Partnership Council.

Three types of additional scholarships require special considerations for implementation:

- scholarships targeted to Navajo Nation residents that are temporarily residing off the Navajo Nation
- scholarships targeted to Teen parents
- scholarships targeted to pre-kindergarten aged children

Navajo Nation Off Reservation Scholarships have the following implementation requirements:

- Eligible families must maintain a permanent residence on the Navajo Nation;
- One parent must be attending a minimum of 6 credit hours at a college or university during the Fall, Winter **and** Spring semesters;
- Family eligibility is determined by the successful applicant;
- The rate of reimbursement is calculated in the same manner as Quality First Scholarships
 - Rate is determined by the quality rating of the program chosen by the family and the age of the child in the scholarship

- The family must attend a program that is enrolled in Quality First and has achieved a quality rating of 2, 3, 4, or 5.

Teen Parent Scholarships have the following implementation requirements:

- Family eligibility is determined by the Teen Scholarship Program (First Things First will communicate the Teen Program Administration Organization(s) upon award of contracts).
- The rate of reimbursement is calculated in the same manner as Quality First Scholarships
 - Rate is determined by the quality rating of the program chosen by the family and the age of the child in the scholarship
- The family must attend a program that is enrolled in Quality First and has achieved a quality rating of 2, 3, 4, or 5.

Pre-Kindergarten targeted scholarships have the following implementation requirements:

- Only Quality First participants with a quality rating of 3, 4, or 5 are eligible for scholarships targeted to pre-kindergarten aged children
- Family Eligibility is determined by the program awarded this type of scholarship
- The rate of reimbursement is calculated in the same manner as Quality First Scholarships
 - Rate is determined by the quality rating of the program and the age of the child in the scholarship

Exhibit G, Quality First Scholarship Allotment by Region includes the estimated number of scholarships funded by the region. Some regions may fund additional scholarships with specific requirements, and these special regional considerations will be communicated to the successful applicant at the same time the final award amount is communicated.

First Things First will contract with a successful applicant to implement the program for Quality First Scholarships funded throughout the state of Arizona. Implementation includes the provision of the following by the successful applicant:

1. Contracting with programs who have been awarded Quality First Scholarships;
2. Developing and maintaining a reporting portal for all programs to capture both child and program level data about scholarships and accurately submitting data collected from the portal to First Things First;
3. Developing and Implementing provider training to assist participants in reporting accurate information about the scholarship recipients and usage at their site;

4. Development and utilization of a written policy and procedures manual that details the Quality First Scholarship protocol that is disseminated to all early care and education programs eligible for any type of Quality First Scholarship;
5. Making payments from the successful applicant directly to the early care and education provider;
6. Providing a customer service office that delivers timely, clearly communicated information to providers and families who are seeking information about scholarships or are currently receiving scholarships and is easily contacted by families and providers, and;
7. Conducting quality assurance audits for programs receiving Quality First Scholarships.

Contracting with programs who have been awarded Quality First Scholarships

The successful applicant will contract with and make payments to each provider awarded scholarships based on the information provided by First Things First.

1. The number of scholarships and reimbursement rate is determined by First Things First. First Things First will provide the successful applicant a list of all Quality First programs that have been awarded Quality First Scholarships.
 - a. Before the start of each fiscal year, First Things First will send the successful applicant a list of all programs awarded scholarships in the coming fiscal year. The list will include the following information for each eligible site:
 - i. Number of scholarships awarded
 - ii. Types of scholarships awarded
 - iii. Reimbursement rates to make payments based on scholarship usage
 - b. As programs are enrolled into Quality First, they are eligible to receive Quality First Scholarships at the start of the state fiscal quarter after their enrollment. First Things First will send a list each Friday to the successful applicant to include:
 - i. Number of scholarships awarded
 - ii. Types of scholarships awarded
 - iii. Reimbursement rates for the scholarships
2. Within 5 business days of the successful applicant receiving the lists indicated above, contracts will be sent to each provider. Contracts will include, at minimum:
 - a. a list of documentation required to receive scholarships
 - b. the start date and end date of the scholarships
 - c. the policy and procedures manual and where that manual can be located
 - d. how to contact the successful applicant directly
 - e. how to log into the Quality First Extranet to find the scholarship award numbers and reimbursement rate that will be paid for the fiscal year

****please note, the contracts will not include slot award numbers or reimbursement rates as that will be noted in the Quality First Extranet.***

3. As programs are disenrolled in Quality First, First Things First will provide this information to the successful applicant via e-mail.
 - a. The scholarships at these programs will be terminated at the end of the month the program was disenrolled.
 - b. Contract termination notification to these programs will be sent within 5 business days of notification from First Things First and will include, but is not limited to information about:
 - i. The contract end date that includes the last date that the program can request reimbursement for scholarships (the end of the month that the program became ineligible)
 - ii. Options for families who will be losing scholarships at the site
 - iii. The due date for the program to submit their final report to the successful applicant
 1. Reporting after this date will not be reimbursed

Developing and maintaining a reporting portal for all programs to capture both child and program level data about scholarships and accurately submitting data collected from the portal to First Things First.

Child and program level data will be collected through the provider reporting portal during the first 7 calendar days (reporting period) of the month for the previous month's services. The successful applicant will have 5 business days after the close of the reporting period to conduct quality assurance of the data prior to submitting to First Things First. On the 11th business day of the month, ***one data file*** will be submitted to First Things First that includes the following information:

1. Program Name
2. Program Address
3. Quality First ID Number (provided by First Things First to the successful applicant)
4. Program Quality First type – Rating Only or Full Participation (must align with Quality First designation by First Things First)
5. Program's FTF Regional Partnership Council (must align with the Quality First designated Regional Partnership Council)
6. FTF Regional Partnership Council that is funding the scholarships (only noted if different than the region in which the programs is located above)
7. Program Contact Person and contact information
8. Date program can start requesting scholarship reimbursement
9. Date program is no longer eligible for scholarship reimbursement
10. Current monthly reporting period
11. Child Name
 - a. First Name

- b. Last Name
- 12. Child Birthdate
- 13. Scholarship type
 - a. Quality First Scholarship
 - b. Navajo Nation Off Reservation Scholarship
 - c. Teen Parent Scholarship
- 14. Full Time/Part Time status
- 15. Date child enrolled in scholarship
- 16. Date child vacated scholarship
- 17. Number of days the child receiving the scholarship attended during the reporting period
- 18. Number of days child is enrolled to attend (i.e. a child enrolled 3 days per week would have be enrolled for 12 days per month, while a child enrolled for 5 days per week would be enrolled for 20 days per month during a 4 week month)
- 19. Number of absences of the child receiving the scholarship during the reporting period
- 20. Monthly rate for the child receiving the scholarship
- 21. Family co-payment, if applicable
- 22. Percent of FPL of the Family Income
- 23. List of Programs who have declined the use of scholarships
 - a. Quality First Provider ID
 - b. Reason for decline
- 24. Number of Scholarships declined
- 25. SAIS ID number, if applicable

Scholarship utilization is monitored by the successful applicant.

1. Participating providers must agree to maintain 90 percent enrollment of the number of scholarships allotted to the site.
2. Participating providers must agree to fill all scholarship vacancies within 1 month of the vacancy.
3. The successful applicant will contact all programs not using 100% of their awarded scholarships to verify that they understand the number of scholarships that they were awarded. The successful applicant will provide suggestions for recruitment of eligible families and notify the program of the reallocation process if the awarded slot(s) are not fully used.
4. If a participating program underutilizes the scholarships allotted to them for 2 calendar months in a row, the unused scholarships will be removed from the program for the remainder of the fiscal year and re-allocated to another program in the same region (prioritizing by programs with a quality rating of 3, 4 or 5).

- a. The successful applicant will contact all programs not using 100% of their awarded scholarships to notify them of the reallocation of their unused scholarships.
 - b. If reallocation of slots occurs, programs losing the scholarships will be awarded scholarships based on their program size and Quality First rating before the start of the next fiscal year. The new fiscal year award will not be based on the scholarship usage in the previous fiscal year.
- 5. Participating providers will indicate the total number of scholarships the program can fill in their program profile on the Extranet. When reallocation of scholarships occurs, the information on the Extranet will be considered.
- 6. A data quality assurance plan will be developed and implemented by the successful applicant to ensure data integrity.
 - a. The successful applicant will run error reports on the data reported by participating early care and education programs prior to submitting monthly data to First Things First.
 - b. Data quality assurance will include, but is not limited to the following:
 - i. Birth date
 - 1. Children's reported ages must fall in the range of birth – age 5
 - a. upon enrollment
 - b. during the reported service month
 - ii. Regional Partnership Council
 - 1. The reported regional partnership council must match the regional partnership council designated by First Things First in the list that is sent each Friday, and
 - 2. The reported regional council must remain constant throughout the contract period for each site.
 - iii. Scholarship Type – the scholarship type for children should be consistent throughout the child's participation, understanding that there may be changes on a case by case basis.
 - iv. Program Type – the type of program (center or home) must remain consistent throughout the contract period for the site. The type of program must match the program type that is designated by First Things First in the list that is sent each Friday.
 - v. Scholarship end date must be after the enrollment date for the child.
 - vi. Scholarship end date cannot be indicated before the month of service for the child.
- 7. If/when service data and financial data are not aligned, the successful applicant will provide an adjustment file justifying the gap.

Developing and implementing provider training to assist participants in reporting accurate information about the scholarship recipients and usage at their site.

The successful applicant will develop and facilitate training in English and Spanish, both in-person and webinar options, for all programs eligible to receive scholarships that assist them with:

1. Understanding necessary documentation necessary for contracting with the successful applicant to provide scholarships to families and receive reimbursement for the scholarships;
2. accurately confirming family eligibility for scholarships;
3. understanding requirements to document family eligibility;
4. understanding requirements for child file contents for scholarship recipients;
5. understanding requirements for program audits;
6. logging in to the reporting portal;
7. accurately reporting required data as indicated above; and
8. accessing their program's scholarship information on the Extranet.

Development and utilization of a written policy and procedures manual that details the Quality First Scholarship protocol that is disseminated to all early care and education programs eligible for any type of Quality First Scholarship, including:

1. How scholarship awards are determined
2. How scholarship rates are determined
3. Contracting Process – development of binding agreements between the successful applicant and individual providers
4. Guidance in recruiting/selecting families to receive scholarships
5. Guidance in auditing and ensuring accountability of scholarship recipients (child attendance, accuracy/integrity of eligibility documentation, adherence to site policies and procedures)
 - a. Audit procedures
 - b. Guidance for self-audit by providers to prepare for an on-site audit
6. Family application, eligibility and documentation requirements
 - a. Family eligibility for scholarships is determined by the early care and education provider and monitored by the successful applicant, except:
 - i. Navajo Nation Off Reservation Scholarships eligibility is determined and monitored by the successful applicant
 - ii. Teen Parent Scholarships eligibility is determined by the Teen Parent program and communicated to the successful applicant
 - iii. Family Household is defined by tax records. The tax records of the person who claims the child receiving the scholarship will be used to determine the household income

1. The successful applicant will review resources and make recommendations to First Things First related to family household anomalies such as, but not limited to, families living in the same household as other families, teen parents living with their parents, families living in shelters/or who are homeless, foster children, etc.
- iv. Copies and documentation of family eligibility for scholarships to show household income **at or below** 200 percent of the Federal Poverty Guidelines is required and must be maintained at the provider level and must include **any one** of the following:
 1. Tax records
 2. Current pay stubs
 3. Written statement from employer
 4. Documentation of current receipt of public assistance such as KidsCare, Food Stamps, Free and Reduced Lunch Program, that requires household income eligibility under 200% of the federal poverty level
 5. If unemployed, a letter from previous employer whenever possible is required
 6. For those who are self-employed, the most recent Individual Income Tax Form 1040, Form 1099, or W-2 forms are required.
- b. Family and child eligibility is determined prior to participation.
 - i. Scholarships are available to families earning at or below 200% of the most recently published Federal Poverty Guidelines.
 - ii. All families are required to complete a scholarship application that includes the following information:
 1. Name of Parent(s) or legal custodian of child(ren)
 2. Name (first and last that is indicated on the child's birth certificate) of Child(ren)
 3. Birthdate of Child(ren),
 4. Address and telephone number(s)
 5. Annual income (documentation to be attached)
 6. Validation of Citizenship or Legal Residency of Child(ren)
 7. Signed Declarative Statement as to the truth and accuracy of the information
 8. Statement acknowledging that the information contained in the application will be reported to First Things First, reviewed in audits and used publicly, in aggregate, both regionally and statewide

9. Signature

10. Date of signature

- iii. Family applications and documentation are kept on-site at the early care and education facility.
- iv. Scholarships should reduce, not eliminate the parent contribution by establishing an affordable rate for families that, ideally, would not exceed 10 percent of their gross income. However, this is guidance only and not a requirement for provider or family eligibility or participation.
- v. The maximum number of scholarships available to any family is two. First Things First and the successful applicant will consult regarding any exceptional circumstances for potential exemptions to this limit.

7. Child attendance

It is recommended that children receiving scholarships are in attendance at least 85% of the time that they are enrolled each month (i.e. if a child is enrolled for 3 days per week, the expected attendance is 10 days per month)

- a. The successful applicant will address chronic absenteeism by contacting programs where children are not in attendance at least 85% of the time they are enrolled based on the monthly reporting by providers.
 - i. The successful applicant will ensure that the program has spoken to the family about the importance of attendance.
- b. The successful applicant will ensure that the program understands the importance of attendance and provide conversation points to discuss with families regarding attendance.
- c. The successful applicant will notify the program that the scholarship may be given to another family if chronic absenteeism continues.
 - i. The successful applicant will assist the program in making decisions about terminating a scholarship due to chronic absenteeism.
 - ii. Individual circumstances will be discussed with the successful applicant and the program. Recommendations and decisions about terminating a scholarship due to absenteeism will be forwarded to First Things First to include:
 - 1. Documentation of conversations the program had with the family
 - 2. Documentation of conversations the successful applicant has had with the provider

8. Data and reporting requirements for scholarships being utilized

9. Information sharing with First Things First , including the type of information that is shared publicly

10. Payment process

11. Dispute resolution, corrective action, and appeal procedures for early care and education providers who have audit findings that indicate a program is out of compliance with scholarship procedures and policies
12. Complaint process for families receiving scholarships and process for complaints to be resolved
13. Termination of scholarships

Making payments from the successful applicant directly to the early care and education provider. The successful applicant must:

1. accurately make monthly payments to early care and education providers based on the scholarship data that was reported by the provider;
2. issue a federal form 1099 to each provider;
3. implement quality assurance measures that reveal any inconsistencies between payments and reporting before payments are made; and
4. provide monthly payment records, by site, to First Things First in PGMS that have been compared to and are aligned with the site reported data for scholarships
5. Payments to providers will be made monthly by the successful applicant.
 - a. Quality First Scholarship rates are indicated in Exhibit E, Quality First Scholarship Reimbursement Rates.
 - i. Considerations for children who are biologically one age, but have developmental delays that would necessitate an exception to the age band will be developed by the successful applicant and reviewed by First Things First.
 - ii. Any scholarships that are paid a different age band rate due to a child's developmental abilities will be communicated to First Things First and include the following information:
 1. Program name where reimbursement is adjusted to a different age band
 2. Program ID (using Quality First ID #) where the reimbursement is adjusted to a different age bend
 3. Information about the child who is receiving a scholarship paid for at a different age band
 - a. First Name
 - b. Last Name
 - c. Birthdate
 4. Reason for reimbursement adjustment
 - b. Quality First Scholarships are paid on a monthly basis for the ***reported*** attendance of scholarship recipients.
 - i. Payments are made by the successful applicant directly to early care and education provider ***before the end of the month following services.***
 - ii. A provider will be reimbursed for the total amount of the scholarship no matter what the usual and customary rate for the program is.

- iii. A provider may not be reimbursed for more scholarships than have been contracted with the successful applicant.
- c. Providers who report after the monthly reporting cycle has ended may receive their monthly payment late. The successful applicant will determine the payment cycle for programs that submit reports after the close of the reporting cycle.
- d. Providers will ***not be paid*** if the program reports child level data more than 60 days late. Providers may be paid for up to two months in arrears.
- e. Full time scholarships may be split in to two part time scholarships. No further splitting of scholarships will be allowed.
 - i. Full day/full time services for children are defined as a minimum of 28 hours per week.
 - ii. Part day/part time services are defined as less than 28 hours per week for at least 3 days per week, or less than 10 days per month
- b. Scholarships may not be used to replace or supplant other funding sources including, but not limited to, DES, Head Start, or other public or private scholarship programs.

Providing a customer service office that delivers timely, clearly communicated information to providers and families who are seeking information about scholarships or are currently receiving scholarships and is easily contacted by families and providers. The successful applicant must:

- 1. coordinate closely with First Things First regarding communications and public awareness. First Things First will establish all messaging guidelines for this strategy;
- 2. have the capacity to anticipate challenges that might occur and respond proactively to those situations;
- 3. have the capacity to communicate effectively and efficiently with approximately 1000 providers and 8000 families;
- 4. have the capacity to communicate with families and providers throughout Arizona, including accessing bilingual (English/Spanish) support;
- 5. employ staff that have customer service experience and experience in the early care and education field; and

Conducting quality assurance audits for programs receiving Quality First Scholarships

- 1. have the capacity to complete audits of programs throughout Arizona
 - a. Conduct random audits on 25% of the number of programs receiving scholarships per region
 - i. Sites will be selected randomly and will include program types and size proportionate to the region in which the audits are being completed
 - ii. Family/community complaints about a site will prioritize a random audit

- b. At each site, 100% of the scholarship recipient files will be reviewed in conjunction with the data reported for payment, including:
 - i. Family eligibility
 - ii. Documentation of family eligibility
 - iii. Child eligibility
 - iv. Documentation of child eligibility
 - v. Sign in and out records
- c. Programs that are selected to receive an on-site audit will be notified in advance that they have been selected. Notification will include, but is not limited to:
 - i. The audit process
 - ii. Guidance for self-audit to prepare for an on-site audit
 - iii. The reason for the audit
 - iv. When results of the audit will be communicated
 - v. How the results of the audit will be used
 - vi. Actions taken if errors are found during the audit process
- d. The successful applicant will provide quarterly information to First Things First regarding the audit process to include:
 - vii. Number of programs that received an audit
 - viii. Regions where audits took place
 - ix. Audit compliance findings
 - 1. Number of program in compliance
 - 2. Number of programs that received technical assistance on-site to bring them into compliance on the day of the audit
 - x. Audit non-compliance findings
 - 3. Number of programs that were not in compliance
 - 4. Number of programs that provided additional documentation after the day of the audit to bring them into compliance after the day of the audit
 - 5. Action that was necessary to take at programs that did not achieve compliance (include program name and QF ID number), if applicable
 - vi. Raw data file for FTF to review

The successful applicant must demonstrate the following factors that are critical to the success of this strategy:

- 1. Experience
 - a. The successful applicant should demonstrate sufficient experience in funding community-based providers by varying types and sizes including small and group home family providers, nonprofit providers, for profit providers, rural and urban providers, and other early care and education providers.
- 2. Flexibility
 - a. Providers may require specific payment structures to meet the needs of their financial office. The successful applicant must have the capacity to work within

the guidelines of this scope of work while maintaining the flexibility to meet the needs of individual providers.

- b. Regional areas may differ somewhat from one another, primarily in terms of the target population and the scholarship amounts. The successful applicant is required to allow for and support flexibility across regions to best meet the individual needs of those regions.
- c. Regional Partnership Councils have the ability to invest additional resources in the specified access and affordability strategies, and this may result in an increase in the amount and number of councils identified in this Scope of Work. The successful applicant is expected to administer additional funds, possibly in additional regions, when this occurs.

3. Efficiency

- a. The successful applicant must ensure that the infrastructure of the scholarship program is efficient so that providers do not need to duplicate information in multiple formats.

4. Collaboration with First Things First

- a. The successful applicant will meet with First Things First on a monthly basis to assure efficient and professional implementation.
- b. The successful applicant will ensure that policies and procedures are reviewed by First Things First prior to implementation.
- c. The successful applicant will ensure that all communication is reviewed by First Things First prior to being communicated to providers and families.

First Things First School Readiness Indicators related to this strategy:

FTF is seeking successful applicants to implement this strategy and work collectively with FTF to impact the school readiness indicators below:

- 1. #/% children demonstrating school readiness at kindergarten entry in the developmental domains of social-emotional, language and literacy, cognitive, and motor and physical
- 2. #/% of children enrolled in an early care and education program with a Quality First rating of 3-5 stars.
- 3. #/% of children with special needs enrolled in an inclusive early care and education program with a Quality First rating of 3-5 stars.
- 4. #/% of families that spend no more than 10% of the regional median family income on quality care and education with a Quality First rating of 3-5 stars.

First Things First Goal Area to be addressed

- 1. Quality and Access

Target Population to serve

The target population is early care and education providers who are enrolled in Quality First and receive Quality First Scholarships.

Geographic Area

The geographic area is the entire state of Arizona. (See Exhibit P, Target Service Units Guidance Document)

Coordination and Collaboration

First Things First prioritizes coordination and collaboration among early childhood service providers as critical to developing a seamless service delivery system for children and families. Coordination and collaboration is described as two or more organizations working together in the delivery of programs and services to a defined population. As a result of coordination and collaboration, services are often easier to access and are implemented in a manner that is more responsive to the needs of the children and families. Coordination and collaboration may also result in greater capacity to deliver services because organizations are working together to identify and address gaps in service, which results in higher quality services and cost efficiency. Successful Applicants must demonstrate capacity to work with and participate in coordination and collaboration activities. This may include but is not limited to engaging with other partners delivering the same or similar programs and services; clarifying target populations and outcomes; and defining processes and plans to reach desired outcomes. There may be local or statewide collaborative meetings which the Applicant may be asked to attend. In order to accomplish this, Applicants should plan the appropriate staffing and budget to support travel to and attendance at meetings and at other statewide meetings, as appropriate.

Quality Assurance Assessment

First Things First Quality Assurance (QA) system involves a continuum of performance and programmatic monitoring. The QA process is a team approach in collaboration with grant partners. A strength-based, comprehensive QA assessment will be used to evaluate the implementation of the strategy Standards of Practice and to support grant partners through technical assistance that addresses specific issues and concerns. The results of the QA process have the potential to inform and strengthen the development of the Standards of Practice and the early childhood development and health system. Successful Applicants agree to actively participate in the QA process, which will involve a strategy specific QA assessment conducted by First Things First QA specialists during an on-site visit typically once during a contract cycle (every three years or so). The QA process includes adequate notice through pre-visit communication, the on-site visit and discussion, and follow-up report.

Program Specific Data Collection and First Things First Evaluation

Successful Applicants agree to participate in the First Things First evaluation and any program specific evaluation or research efforts, including collaboration with evaluation-led child assessment activities. Collaborative activities may include tracking and reporting data pertaining to participant attendance, enrollment, and demographic information. In addition, Applicants agree to allow First Things First and evaluation consultants of First Things First to observe program activities on site and successful applicants must collaborate with First Things First led and initiated evaluation activities to encourage parent consent for data collection.

Data collection and First Things First evaluation activities are directly connected with the Goals, Performance Measures and Units of Service aligned to the strategy described in this RFGA. When services are provided to more than one region (multi-regional strategies), the grantee must collect and store client data for each region served through the grant agreement.

First Things First honors tribal ownership of data and recognizes communication is necessary with Arizona Tribes to determine what process/protocol is needed to obtain data. We further recognize Arizona Tribes as owners of their indigenous knowledge, cultural resources and intellectual property. To this end, it is imperative that all appropriate tribal approvals for data collection and submission to First Things First must be obtained. In addition to obtaining the agreement of the family to share data with First Things First and publicize aggregate data, the successful applicant will ensure communication with Tribal governments regarding the type of information that is being collected from scholarship recipients.

Successful Applicants must have capacity to collect and submit First Things First data requirements, securely and confidentially store client data, obtain client and any necessary tribal approvals for First Things First data submission, and utilize data to assess progress in achieving desired outcomes of the proposed strategy. Units of Service, Target Service Numbers, and Performance Measures outline how quarterly data submissions will be evaluated according to the contracted deliverables and standards of practice for that contract. Additionally, they are used by First Things First to determine the key impacts of the strategies, programs and approaches being implemented.

Unit of Service and related Target Service Number:

A Unit of Service is a First Things First designated indicator of performance specific to each First Things First strategy. It is composed of a unit of measure and a number (Target Service Number). A Unit of Measure/Service can be a target population and/or a service/product that a grantee is expected to serve as part of an agreement. The Target Service Number represents the number of units (e.g. target population) proposed to be served or number of products/services proposed to be delivered during the contract year.

For example, for the First Things First strategy Home Visitation, the First Things First Unit of Service is “number of families served” and a Target Service Number of 50 represents the number of families the Applicant proposes to serve during the contract period. All First Things First applicants must clearly state in the proposal a target service number for each strategy specific Unit of Service.

Performance Measures:

Performance Measures measure (1) key indicators of performance (i.e. Unit of Service); (2) basic implementation of strategy; (3) alignment of program activities to strategy specific standards of practice, (4) performance or progress toward pre-established strategic goals. Performance measures may include the level or type of program activities conducted (e.g. serving families/children through home visits) and/or the direct services and products delivered by a program (e.g., providing scholarships).

All successful Applicants will be provided with data reporting requirements by First Things First and will meet the requirements of the First Things First evaluation including, but not limited to, timely and regular reporting and cooperation with all First Things First evaluation activities. Timely and regular reporting of all performance and evaluation data includes the electronic submission of data (as identified in data reporting templates designed for each strategy) through the First Things First secure web portal known as PGMS.

Units of Service and Performance Measures that are aligned to the Goal for the purposes of this RFGA are as follows:

Unit of Service:

- Number of scholarship slots for children 0-5 years
 - A subset of the unit of service includes the number of providers receiving scholarships

The units of service will be pulled from the monthly programmatic and financial data file that is submitted to First Things First. The accuracy of the data file is imperative to ensure that units of service are accurately reflected in data reports that are provided to Regional Councils and the First Things First Board. Adjustments to the monthly programmatic and financial data files are expected after the month has been submitted and must be documented in PGMS. Any adjustments that result from the successful applicant's quality assurance process to ensure accurate data submission beyond the single monthly updates that account for delayed reporting/reimbursement will be considered and documented as a data error in PGMS.

Exhibit G, Quality First Scholarship Allotment by Region, indicates the approximate number of annual scholarships to be awarded as well as the maximum amount of funding to be allocated for the scholarships.

Performance Measures:

- 75% of early care and education providers report satisfaction with the customer service, audit process, reporting process, payment process, communication process and training based on a survey conducted by the successful applicant.
- 25% of early care and education providers are audited per region annually (see audit requirements detailed above in the Scope of Work)
- 85% of early care and education providers that are audited are in compliance with all scholarship policies and procedures.

For more information on FTF Goal Areas, Goals and Performance Measures, please reference the FTF Strategy Toolkit at:

<http://azftf.gov/pages/webmain.aspx?PageID=2D427ADB35B34BB09F353B77B74AB9BA>

How Will Applications be Evaluated?

The review committee will evaluate Applications and recommend those for an award based on the following criteria:

- Capacity of the Applicant for Addressing Needs (20%)
- Proposed Program or Activity (20%)
- Implementation Activities (25%)
- Budget (10%)
- Data Collection (25%)

Those Applicants not selected for funding will be notified in writing; however, pursuant to A.R.S. §41-2702 (E), all Applications shall not be open for public inspection until after grants are awarded. A.R.S. §41-2702 (G) also states the evaluator assessments shall be made available for public inspection no later than thirty (30) days after a formal award is made.

Application: Responding to the Scope of Work

To complete your Application, provide a comprehensive narrative response that addresses each of the items in the Executive Summary and the criteria sections below. If an item requires a completed attachment, please reference that attachment within the narrative response when indicated. The narrative must include a one page executive summary, use 12 point font size and have no less than an one inch margin. It is recommended that the narrative not exceed 50 pages, including the executive summary.

A. Executive Summary (required – 1 page overview)

Provide a one (1) page narrative overview of the proposed project that includes the target service number, a brief summary of the program or strategy, how it will be implemented, the Applicant's capacity to implement this program and how success and outcomes will be measured. Also complete the First Things First Standard Data Collection Form (Attachment A).

B. Capacity for Addressing the Need and Implementing the Strategy Successfully (20%)

Provide a narrative description describing your organization's understanding of the needs and capacity to implement the proposed service, addressing the following:

- a) Describe the need(s) the proposed strategy will address and include data to support evidence of the need.
 1. Describe the assets that currently exist, within the organization, to address the need and support the proposed strategy.
- b) Provide examples of experience implementing scholarships programs and/or current experience (if applicable) and the outcomes of those programs. It should be noted that past performance on any grants might be taken into consideration in evaluation of your proposal.
 1. What experience does your organization have in funding community-based providers by varying types and sizes including small and family child care home

- providers, nonprofit providers, for profit providers, rural and urban providers, and other early care and education providers.
- c) Describe your organization's professional knowledge of and experience with the target population to reach.
 - 1. Regional areas may differ somewhat from one another, primarily in terms of the target population and the scholarship amounts. The successful applicant is required to allow for and support flexibility across regions to best meet the individual needs of those regions.
 - d) Identify capacity or infrastructure building which will be needed and the proposed approach, including agreements and partnerships with other agencies, additional resources, and training and technical assistance to provide the proposed service.
 - e) Include the coordination and collaboration activities in which the organization is currently engaged and how this will support the proposed strategy.
 - 1. Indicate the agencies/partners you anticipate involving. Attach letters of support or Memoranda of Understanding for each proposed partner, describing the role and responsibilities for the success of the project (specifically list agencies and partners outside of First Things First);
 - 2. Describe the collaboration activities you will participate in with First Things First and what you anticipate your role and FTF role in each activity to be;
 - 3. Describe how you will collaborate with the programs enrolled in Quality First, First Things First Regional Directors and families seeking scholarships for their children.
 - f) Identify personnel recruitment, qualifications and supervision. Applicants must complete a Key Personnel Overview (attachment B) for each type of scholarship (Quality First Child Care Scholarship and Pre-Kindergarten Scholarship)
 - 1. For each person listed on the Key Personnel Overview, please indicate the specific related job duties that will be completed by that person for the number of hours that will be charged to Quality First Scholarships.
 - g) Describe plans to recruit and locate personnel who are linguistically and culturally competent to serve the identified population of Quality First Providers and families.
 - h) Describe your organization's ability to increase the services as necessary if additional funding becomes available for program expansion.
 - 1. Include timelines that would be necessary for an increase of services.

C. Proposed Program or Strategy (20%)

Provide a clear and thorough description of the proposed program/services by addressing all aspects of the scope of work. A successful applicant will include, but not be limited to the following:

- a) Contracting with programs who have been awarded Quality First Scholarships;
 - 1. Describe the procedure and notification content you will use to contract with all early care and education programs that they are eligible for Quality First Scholarships within 5 business days of receiving notification from First Things First that a program is eligible. Content must include, at minimum:
 - i. the start date and end date of the scholarships.
 - ii. the policy and procedures manual and where that manual can be located.
 - iii. how to contact the successful applicant directly.

2. Describe the procedure and notification content you will use to notify all early care and education programs that they are no longer eligible for Quality First Scholarships within 1 week of receiving notification from First Things First that a program is no longer eligible. Content must include, at minimum:
 - i. The end date of the scholarship (the end of the month that the program became ineligible).
 - ii. Options for families who will be losing scholarships at the site.
 - iii. The due date for final reporting to the successful applicant.
- b) Developing and maintaining a reporting portal for all programs to capture both child and program level data about scholarships;
 1. Describe the reporting portal that will be used for all programs utilizing scholarships to enter data about the scholarship recipients at each site. Data must include, but is not limited to, the following:
 - i. Program Name
 - ii. Program Address
 - iii. Program ID Number (must align with Quality First ID Numbers which will be provided by First Things First to the successful applicant)
 - iv. Program's FTF Regional Partnership Council (must align with the Quality First identified Regional Partnership Council)
 - v. Regional Partnership Council that is funding the scholarships, if applicable
 - vi. Program Contact Person and contact information
 - vii. Dates of each monthly reporting period
 - viii. Child Name
 - ix. Child Birthdate
 - x. Scholarship type
 - xi. Full Time/Part Time status
 - xii. Date scholarship started
 - xiii. Date scholarship ended, if applicable
 - xiv. Number of days the child receiving the scholarship attended during the reporting period
 - xv. Number of absences of the child receiving the scholarship during the reporting period
 - xvi. Monthly Rate for the child receiving the scholarship
 - xvii. Family co-payment, if applicable
 - xviii. Percent of FPL of the Family Income
 - xix. SAIS ID number, if applicable
 - xx. Affidavit that all information is correct as reported
 2. Describe the process you will use to conduct monthly analyses of scholarship usage and reporting to identify programs that are not using/reporting scholarships and communicate with the provider and First Things First Regional Directors to identify and resolve barriers to usage and reporting.
 3. Describe the data quality assurance plan you will implement.
 - i. Indicate the Data Error Reports that you will run on a monthly basis.
 - ii. Describe how these reports will be used to monitor the implementation of the scholarship program.

- iii. Describe how you will communicate the errors found and methods to resolve the errors with First Things First.
- c) Developing and Implementing provider training to assist participants in reporting accurate information about the scholarship recipients and usage at their site;
 - 1. Describe the training that will be developed and facilitated for all programs eligible to receive scholarships that assists them in:
 - i. recruiting eligible families
 - ii. accurately determining family eligibility;
 - iii. reviewing/maintaining family eligibility documentation
 - iv. logging in to the program data reporting;
 - v. reporting necessary data for scholarship participation; and
 - vi. accessing their program's scholarship information on the Extranet
 - 2. Describe your plan for ensuring that training is offered in both English and Spanish and meets the needs of the participating programs regarding time of day, day of the week, training format (i.e. on-site, using technology, one on one)
- d) Development and utilization of a written policy and procedures manual that details the Quality First Scholarship protocol that is disseminated to all early care and education programs eligible for any type of Quality First Scholarship;
 - 1. Include table of contents for the written policy and procedures manual that details the protocols for Quality First Scholarships. At minimum, the manual must include:
 - i. How numbers and amounts of scholarships are determined
 - ii. Contracting Process – development of binding agreements between the successful applicant and individual providers
 - iii. Guidance in recruiting/selecting families to receive scholarships
 - iv. Guidance in monitoring and ensuring accountability of scholarship recipients (child attendance, accuracy/integrity of eligibility documentation, adherence to site policies and procedures)
 - v. Family application, eligibility and documentation requirements
 - vi. Child Attendance
 - vii. Data and reporting requirements for scholarships being utilized
 - viii. Information sharing with First Things First , including the type of information that is shared publicly
 - ix. Payment process
 - x. Audit procedures, including guidelines for self-audit by providers
 - xi. Dispute resolution, corrective action, and appeal procedures for early care and education providers
 - xii. Complaint process for families and process for complaints to be resolved
 - xiii. Termination of scholarships
- e) Making payments from the successful applicant directly to the early care and education provider

1. Indicate how payments will be made from the successful applicant directly to the early care and education provider, including issuing a federal form 1099 to each provider
 - i. Providers may require specific payment structures to meet the needs of their financial office. Describe the capacity your organization has to work within the guidelines of this scope of work while maintaining the flexibility to meet the needs of individual providers.
- f) Indicate considerations that would be made for children who are biologically in one age band of the scholarship rate, but developmentally necessitate care in a different age band.
- g) Providing a customer service office that provides timely, clearly communicated information to providers and families who are seeking information about scholarships or are currently receiving scholarships, and through which early care and education providers can contact the successful applicant
 1. Describe how you will coordinate with First Things First regarding communications and public awareness including your role and proposed coordination activities.
 2. Describe how you will provides timely, clearly communicated information to providers and families who are seeking program information about scholarships or are currently receiving scholarships, and through which early care and education providers can contact the successful applicant. The successful applicant must:
 - i. Provide assurance that the organization has the capacity to communicate effectively and efficiently with approximately 1000 providers and 8000 families throughout the state of Arizona, including bilingual (English/Spanish) support.
 - ii. Indicate how staff will be hired with customer service experience and experience in the early care and education field.
 - iii. Describe potential challenges that might occur. Describe strategies that you will employ to proactively work through potential challenges.
 3. Based on your review of Exhibit F, Quality First Scholarship Implementation Guide, what questions do you anticipate receiving from Quality First participants and how will you address these questions?
 4. What practices will you put in place to ensure that customer service staff fully understand the allocation and reallocation process? How will you determine customer service staff understanding of the process?
 5. Describe the audit process that you will implement.

This narrative should provide context for the activities listed in the next section, Implementation Activities.

D. Implementation Activities (25%)

Using Attachment C, Implementation Plan, describe the activities needed to operationalize the proposed strategy(ies), including timelines, responsibilities, and coordination activities.

E. Budget (10%)

A Budget and Budget Narrative must be submitted for each scholarship type (Quality First Child Care Scholarships and Pre-Kindergarten Scholarships) for a total of two Budgets and two Budget Narratives.

The budget and budget narrative should provide a clear and concise explanation of the methods used to determine the amounts for each line item in the proposed program budget. All budget forms must be signed by an authorized agency representative.

- a) Submit the Funds Requested Form (Attachment D). No additional narrative is required.
- b) Submit the Line Item Budget (Attachment E) using only the budget categories listed on the form. No additional narrative is required.
- c) Submit the Budget Narrative (Attachment F) using only the budget categories listed on the form.
- d) Submit the Disclosure of Other Funding (Attachment G). This list should include all other sources of funding currently received from other State or public agencies, Federal agencies, non-profit organizations and other sources that will be applied to the proposed program/strategy(ies). Note that statute A.R.S. §8-1183 provides for a prohibition on supplanting of state funds by First Things First expenditures, meaning that no FTF monies expended are to be used to take the place of any existing state or federal funding for early childhood development and health programs.
- e) Describe your organization's business management system by completion of the Financial Systems Survey. Attach the Financial Systems Survey (Attachment H) to capture basic financial system/operational information to assess financial capacity early in the process. No additional narrative is required. As noted in the financial system survey, you are required to submit a complete copy of the most recent audited, reviewed or compiled financial statements as well as management letters and a schedule showing the TOTAL federal funds (by granting agency) expended by your agency for the most recent fiscal year. NOTE THAT ONLY ONE COPY OF EACH OF THESE DOCUMENTS NEEDS TO BE INCLUDED WITH THE APPLICATION MARKED "ORIGINAL".

F. Data Collection (25%)

Describe in this section the plan and resources necessary to meet FTF basic reporting requirements, maintain data securely and confidentially, and ensure that ongoing data collection is used within the grantee institution to ensure fidelity and overall effectiveness. In this section, include discussion of:

- a) Who will have overall responsibility for the data collection, maintenance, and reporting. Be sure to include this person in your Key Personnel Overview, Attachment B.
- b) How the required data will be collected, maintained, and aggregated. Describe how you will ensure that data entered into the scholarship reporting portal is accurate and timely. What procedures will be in place to assure the quality of your data (e.g., training for data collectors, oversight of data entry, timeliness for administering tools, etc.)?
- c) If applicable, describe the anticipated approval process to collect and report data from tribal government programs.
- d) What resources (e.g., personnel, supplies, computer, etc.) will be needed to complete necessary activities related to data collection, maintenance, and security as well as the

assurance of quality data input and data collection for the program. In addition to this narrative description, the funds dedicated to evaluation should be reflected in the budget and budget narrative in Section D above.

- e) Complete the Data Collection Form, Attachment I.
- f) Prepare a plan for monitoring the integrity of program implementation for coaching and incentives.
- g) How will you use the results of program implementation monitoring to inform program implementation?

Instructions to Applicants

A. Inquiries

1. Duty to Examine. It is the responsibility of each applicant to examine the entire RFGA, seek clarification in writing (inquiries), and examine their application for accuracy before submission. Lack of care in preparing an application shall not be grounds for modifying or withdrawing the application after the due date and time, nor shall it give rise to any grant claim.
2. RFGA Contact Person. Any inquiry related to an RFGA, including any requests for or inquiries regarding standards referenced in the RFGA shall be directed solely to the RFGA contact person. The applicant is prohibited from contacting any other state employee concerning this RFGA while the solicitation and evaluation are in process.
3. Submission of Inquiries. All inquiries related to the RFGA are required to be submitted in writing. Any inquiry related to the RFGA shall reference the appropriate RFGA number, page and paragraph. When making an inquiry by mail, do not place the RFGA number on the outside of the envelope containing the inquiry, since it may then be identified as an application and not be opened until after the application due date and time. Electronic inquiries are acceptable and encouraged. First Things First shall consider the relevancy of the inquiry but is not required to respond in writing.
4. Timeliness. Any inquiry or exception to the RFGA shall be submitted as soon as possible and should be submitted at least seven days before the application due date and time for review and determination by First Things First. Failure to do so may result in the inquiry not being considered for an RFGA Amendment.
5. No Right to Rely on Verbal Responses. An applicant shall not rely on verbal responses to inquiries. A verbal reply to an inquiry does not constitute a modification of the RFGA.
6. RFGA Amendments. The RFGA shall only be modified by a formal written RFGA Amendment. Formal written amendments are posted on the First Things First website, www.azftf.gov. It is the sole responsibility of the applicant to check the website regularly.
7. Pre-Application Conference. A Pre-Application Conference has been scheduled for this RFGA and specific date, time and location are noted on Page 2. Applicants should raise any questions about the RFGA at that time. The Pre-Application Conference will clarify the contents of the RFGA in order to prevent any misunderstanding of First Things First's position. Any doubt as to the requirements of the RFGA or any apparent omission or discrepancy should be presented to First Things First at the Conference. An applicant may not rely on any verbal responses to

questions at the Conference. Material issues raised at the conference that result in changes to the RFGA shall be answered solely through a formal written RFGA Amendment. **Attendance at the Pre-Application Conference is strongly encouraged, but not mandatory.**

8. Persons with Disabilities. Persons with a disability may request a reasonable accommodation, such as a sign language interpreter, by contacting the RFGA contact person. Requests shall be made as early as possible to allow time to arrange the accommodation.

B. Application Preparation

1. Forms. No facsimile or electronic mail applications shall be accepted. An application shall be submitted using the forms provided in this RFGA or on their substantial equivalent. Any substitute document for the forms provided in this RFGA must be legible and contain the same information requested on the forms, unless the RFGA indicates otherwise.
2. Technical Requirements. Applications will be reviewed initially for compliance with technical requirements. Noncompliance with these requirements may result in the application being deemed non-responsive, and therefore, not susceptible to award.
 - Responses should be typed, single-spaced with one-inch margins or wider with a twelve (12)-point font used.
 - Applications are not to be bound in spiral binders or in 3-ring notebooks. Please submit the application either stapled in the upper left-hand corner or use a binder clip.
 - Applications should be single sided, NOT duplexed.
 - Number all pages and include a table of contents that follows the underlined categories in the “Application: Responding to the Scope of Work” Section. Enclose one (1) original (clearly marked “ORIGINAL”) and nine (9) additional copies.
 - All attachments must be completed as instructed.
 - The organization name and the Request for Grant Application Number (**RFGA number found on page 1 of this RFGA**) must be clearly marked on the outside of the sealed envelope/package.

Please refer to the Checklist within this RFGA to verify inclusion of all required documentation and use of the proper format.

3. Evidence of Intent to be Bound. The Offer and Acceptance Form within the RFGA shall be submitted with the application and shall include a signature by a person authorized to sign the application. The signature shall signify the applicant’s intent to be bound by the application, the terms of the RFGA and that the information provided is true, accurate and complete. Failure to submit verifiable evidence of intent to be bound, such as an original signature, shall result in rejection of the application.
4. Exceptions to Terms and Conditions. All exceptions included with the application shall be submitted in a clearly identified separate section of the application in which the applicant clearly identifies the specific paragraphs of the RFGA where the exceptions occur. Any exceptions not included in such a section shall be without force and effect in any resulting grant unless such exception is specifically accepted by the Fiscal Specialist in a written statement. The applicant’s preprinted or standard terms will not be considered by First Things First as a part of any resulting grant. Exceptions included in the application may negatively affect the proposal evaluation based on the evaluation criteria stated in the RFGA or result in the rejection of the application.

5. Subgrants. Applicant shall clearly list any proposed subgrantees and the subgrantee's proposed responsibilities in the application.
6. Cost of Application Preparation. First Things First will not reimburse any applicant the cost of responding to an RFGA.
7. RFGA Amendments. Each RFGA Amendment shall be signed with an original signature by the person signing the application, and shall be submitted no later than the application due date and time. Failure to return a signed copy of a RFGA Amendment may result in rejection of the application.
8. Additional Materials. Additional materials such as promotional brochures or examples of other programs should not be submitted unless they directly relate to the information required in the application.
9. Provision of Tax Identification Numbers. Applicants are required to provide their Arizona Transaction Privilege Tax Number and/or Federal Tax Identification number in the space provided on the Offer and Acceptance Form.
10. Disclosure. If the firm, business or person submitting this application has been debarred, suspended or otherwise lawfully precluded from participating in any public procurement activity, including being disapproved as a subcontractor with any federal, state or local government; or if any such preclusion from participation from any public procurement activity is currently pending, the applicant shall fully explain the circumstances relating to the preclusion or proposed preclusion in the application. The applicant shall include a letter with its application setting forth the name and address of the governmental unit, the effective date of this suspension or debarment, the duration of the suspension or debarment, and the relevant circumstances relating to the suspension or debarment. If suspension or debarment is currently pending, a detailed description of all relevant circumstances including the details enumerated above shall be provided.
11. RFGA Order of Precedence. In the event of a conflict in the provisions of this RFGA, the following shall prevail in the order set forth below:
 - Terms and Conditions
 - Scope of Work
 - Attachments
 - Exhibits
 - Instructions to Applicants
 - Other documents referenced or included in the RFGA

C. Submission of Application

1. Sealed Envelope or Package. One (1) original (clearly marked "original") application and nine (9) copies shall be submitted to the location identified in this RFGA. Applications must be submitted in a sealed envelope or container. The envelope or container should be clearly identified with name of the applicant and RFGA number. First Things First may open envelopes or containers to identify contents if the envelope or container is not clearly identified.
2. Late Applications. Application received after the specified due date and time shall be rejected.

3. Application Amendment or Withdrawal. An application may not be amended or withdrawn after the application due date and time except as otherwise provided under applicable law.
4. Application Opening. Applications shall be opened publicly at the time and place identified in this RFGA. The name of each applicant shall be read publicly and recorded.
5. Disqualification. An applicant (including each of its principals) who is currently debarred, suspended or otherwise lawfully prohibited from any public procurement activity shall have its application rejected.
6. Confidential Information. If an applicant believes that any portion of the application, protest, or correspondence contains a trade secret or other proprietary information, the application shall clearly designate the trade secret and other proprietary information, using the term “confidential.” An applicant shall provide a statement detailing the reasons why the information should not be disclosed including the specific harm or prejudice that may arise upon disclosure. First Things First shall review all requests for confidentiality and provide a written determination. Until a written determination is made, First Things First shall not disclose information designated as confidential except to those individuals deemed to have a legitimate state interest. In the event First Things First denies the request for confidentiality, the applicant may appeal the determination Chief Executive Officer of First Things First within the specified time specified in the written determination. Contract terms and conditions, pricing, and information generally available to the public are not considered confidential information.
7. Public Record. All applications submitted and opened are public records and must be retained by First Things First for six years. Applications shall be open and available to public inspection no later than 30 days after the grant award pursuant to A.R.S. §41-2702, except for such applications deemed to be confidential by First Things First.
8. Application Acceptance Period. Applications shall be irrevocable for 120 days after the RFGA due date and time.
9. Non-collusion, Employment, and Services. By signing the Offer and Acceptance Form, the applicant certifies that:
 - a. The applicant did not engage in collusion or other anti-competitive practices in connection with the preparation or submission of its application; and
 - b. The applicant does not discriminate against any employee or applicant for employment or person to whom it provides services because of race, color, religion, sex, national origin, sexual orientation or disability, and that it complies with all applicable federal, state and local laws and executive orders regarding employment.
10. Budget Limitations. In the event that the applications received exceed the budget limitations, First Things First reserves the option to request a reduction in the scope of the applicant’s proposed program. Revised budget documents will be required. First Things First reserves the right to award grant for less than the proposed amount and/or less than the available funds or make awards that exceed the posted available funds as additional funds become available.
11. Waiver and Rejection Rights. Notwithstanding any other provision of the RFGA, the State reserves the right to:
 - 10.1 Waive any minor informality,

- 10.2 Reject any and all Applications or portions thereof, or
- 10.3 Cancel the RFGA.

D. Award

1. Single Award. In order to ensure adequate coverage of First Things First requirements, a single award is anticipated to be made; however, multiple awards may be considered.
2. Grant Inception. An application does not constitute a grant nor does it confer any rights on the applicant to the award of a grant. A grant is not created until the application is accepted in writing by the First Things First designee's signature on the Offer and Acceptance Form. A notice of award or of the intent to award shall not constitute acceptance of the application.
3. Effective Date. The effective date of a grant shall be the date that the First Things First designee signs the Offer and Acceptance form or other official contract form, unless another date is specifically stated in the grant.

E. Protests

1. A protest shall comply with and be resolved according to A.R.S. §41-2611. Protests shall be in writing and filed with the Chief Executive Officer, Arizona Early Childhood Development and Health Board. A protest of an RFGA shall be received by the Fiscal Specialist (RFGA contact) before the application due date. A protest of a proposed award or of an award shall be filed within ten (10) calendar days after the Fiscal Specialist (RFGA contact) make the procurement file available for public inspection. A protest shall include:
 - 1.1 The name, address, email address, and telephone number of the interested party,
 - 1.2 The signature of the interested party or its representative,
 - 1.3 Identification of the RFGA or grant number,
 - 1.4 A detailed statement of the legal and factual grounds of the protest including copies of relevant documents, and
 - 1.5 The form of relief requested.

F. Comments Welcome

1. First Things First periodically reviews the Instructions to Applicants and welcomes any comments you may have. Please submit your comments via email to the Fiscal Specialist, grants@azftf.gov.

Terms and Conditions

1. Term of Grant. The effective date of this grant shall be the date that the First Things First designee signs the Offer and Acceptance form or other official grant form and shall remain in effect until June 30, 2015, unless terminated, cancelled or extended as otherwise provided herein.
2. Grant Renewal/Grant Amendment. This grant shall not bind nor purport to bind First Things First for any contractual commitment in excess of the original grant period. First Things First shall have the right, with consult of the awardee, to issue a written amendment to expand services and increase funding awarded to compensate for the agreed upon service expansion. First Things First shall have the right, at its sole option, to renew the grant for up to four (4) additional twelve (12) month periods or a portion thereof. Grant awards may be increased,

decreased, or not renewed based on evaluation, programmatic and fiscal performance; adherence to standards of practice; the availability of funds; or the discretion of First Things First. If First Things First exercises such rights, all terms, conditions and provisions of the original grant shall remain the same and apply during the renewal period.

3. Quarterly Program Narrative and Data Submission Reports. At a minimum, grantees shall submit quarterly, one Program Narrative Report and three Data Submission Reports (one per month) by the 20th of the month following the quarter via the First Things First Partners in Grants Management System (PGMS). Failure to submit timely reports will result in suspension of reimbursement. The reports shall contain such information as deemed necessary by First Things First.
4. Reimbursement/Payment. The grantee shall be paid on a cost-reimbursement basis, at a maximum of monthly or a minimum of quarterly for those items submitted and approved in the budget. Reimbursement requests shall be submitted monthly or quarterly via the First Things First Partners in Grants Management System. **The grantee shall submit a final reimbursement request for expenses obligated prior to the date of grant termination no more than forty-five (45) days after the grant end date.** Requests for reimbursement received later than forty-five (45) days after the grant termination will not be paid. **If awarded a grant, the grantee must have sufficient funds to meet obligations for at least sixty (60) days while awaiting reimbursements.** If an exception is requested to this requirement, it must be provided in writing in the application describing the justification and need for alternative considerations, which will be separately considered during the application review and may not be approved. Requests for exceptions to reimbursement-based payments submitted after awards are made are subject to separate review and may not be approved.
5. Confidentiality of Records. The grantee shall establish and maintain procedures and controls that are acceptable to First Things First for the purpose of assuring that no information contained in its records or obtained from First Things First or from others in carrying out its functions under the grant shall be used by or disclosed by it, its agents, officers, or employees; except as required to efficiently perform duties under the grant. Persons requesting such information shall be referred to First Things First. The grantee also agrees that any information pertaining to individual persons shall not be divulged other than to employees or officers of the grantee as needed for the performance of duties under the grant, unless otherwise agreed to in writing by First Things First.
6. Key Personnel. It is essential that the grantee provide an adequate staff of experienced personnel, capable of and devoted to the successful accomplishment of work to be performed under this grant. The grantee must assign specific individuals to the key positions, when possible or submit an official position description for which candidates must qualify. **Once assigned to work under the grant, if key personnel are removed or replaced, written notification shall be sent to First Things First via the Partners in Grants Management System (PGMS) Communication Log.**
7. Orientation. A mandatory orientation will be scheduled during the first quarter after awards are made and will provide all awarded grantees the information required to manage the grant.

8. Capital Expenditures. Items over \$5,000 with a life of more than one (1) year are allowable and must be included in the line item budget and budget narrative to explain the purpose, intent and use specific for the benefit of the requested project.
9. Working with Tribal Regional Partnership Council(s). The grantee shall comply with any requirements set forth by a tribal government in relation to essential functions of the grants operation including data collection. It is a material requirement of this grant that the grantee follows all FTF tribal policies and procedures, completes all IRB (Institutional Review Board) requirements, obtains all appropriate parent consents, and obtains appropriate tribal approvals as designated by tribal authorities.
10. Geographic Distribution. If applications are not received from geographic areas within the region or if a submitted application is not deemed applicable to funding by the review committee all funding may not be awarded or could be awarded to meet disparate geographic need for services. First Things First also reserves the right to fund more than one program in an area, not to award the entire amount of available funds, or to award an amount that is greater than the posted available funds.
11. Grant Interpretation.
 - 11.1. Arizona Law. The laws of Arizona apply to this grant including, where applicable, the Uniform Commercial Code as adopted by the State of Arizona and the Arizona Procurement Code, Arizona Revised Statutes (A.R.S.) Title 41, Chapter 23, and its implementing rules, Arizona Administrative Code (A.A.C.) Title 2, Chapter 7.
 - 11.2. Implied Grant Terms. Each provision of law and any terms required by law to be in this grant are a part of this grant as if fully stated in it.
 - 11.3. Grant Order of Precedence. In the event of a conflict in the provisions of the grant, as accepted by First Things First and as they may be amended, the following shall prevail in the order set forth below:
 - Terms and Conditions
 - Scope of Work
 - Attachments
 - Exhibits
 - Documents referenced or included in the RFGA
 - 11.4. Relationship of Parties. The grantee under this grant is an independent grantee. Neither party to this grant shall be deemed to be the employee or agent of the other party to the grant.
 - 11.5. Severability. The provisions of this grant are severable. Any term or condition deemed illegal or invalid shall not affect any other term or condition of the grant.
 - 11.6. No Parole Evidence. This grant is intended by the parties as a final and complete expression of their grant. No course of prior dealings between the parties and no usage of the trade shall supplement or explain any terms used in this document and no other understanding either oral or in writing shall be binding.

- 11.7. No Waiver. Either party's failure to insist on strict performance of any term or condition of the grant shall not be deemed a waiver of that term or condition even if the party accepting or acquiescing in the nonconforming performance knows of the nature of the performance and fails to object to it.

12. Grant Administration and Operation.

- 12.1. Records. Pursuant to A.R.S. §35-214 and §35-215, the grantee shall retain and shall contractually require each subgrantee to retain all data and other "records" relating to the acquisition and performance of the grant for a period of five years after the completion of the grant. All records shall be subject to inspection and audit by First Things First at reasonable times. Upon request, the grantee shall produce a legible copy of any or all such records.
- 12.2. Non-Discrimination. The grantee shall comply with all state and federal equal opportunity and non-discrimination requirements and conditions of employment, including the American with Disability Act, in accordance with A.R.S. Title 41, Chapter 9, Article 4 and Executive Order 2009-09, which mandates that all persons, regardless of race, color, religion, sex, age, national origin, disability or political affiliation, shall have equal access to employment opportunities and all applicable provisions and regulations relating to Executive Order No. 13279 – Equal Protection of the Laws for Faith-based and Community Organizations.
- 12.3. Audit. Pursuant to A.R.S. §35-214, at any time during the term of this grant and five (5) years thereafter, the grantee's or any subgrantee's books and records shall be subject to audit by First Things First and, where applicable, the Federal Government, to the extent that the books and records relate to the performance of the grant or subgrant.

In compliance with the Federal Single Audit Act (31 U.S.C. par., 7501-7507), as amended by the Single Audit Act Amendments of 1996 (P.L. 104 to 156), grant sub-recipients, as prescribed by the President's Council on Integrity and Efficiency Position #6, expending Federal Grants from all sources totaling \$500,000 or more, must have an annual audit conducted in accordance with OMB Circular #A-133, "Audits of States, Local Governments and Non-profit Organizations." If more than \$500,000 has been expended in federal dollars, a copy of the audit report for the previous fiscal year must be submitted with your application.

- 12.4. Fund Management. The grantee must maintain funds received under this grant in separate ledger accounts and cannot mix these funds with other sources. The grantee must manage funds according to applicable regulations for administrative requirements, cost principles and audits. The grantee shall maintain proper audit trails for all reports related to this grant. First Things First reserves the right to review all program records.
- 12.5. Facilities Inspection and Materials Testing. The grantee agrees to permit access to its facilities, sub grantee facilities and the grantee's processes or services, at reasonable times for inspection of the facilities or materials covered under this grant.

First Things First shall also have the right to test, at its own cost, the materials to be supplied under this grant. Neither inspection of the grantee's facilities nor materials testing shall constitute final acceptance of the materials or services. If First Things First

determines non-compliance of the materials, the grantee shall be responsible for the payment of all costs incurred by First Things First for testing and inspection.

- 12.6. Notices. Notices to the grantee required by this grant shall be made by First Things First to the person indicated on the Offer and Acceptance form submitted by the grantee unless otherwise stated in the grant. All notices, requests, demands or communications by either party to this grant, pursuant to or in connection with this grant shall be in writing to the respective parties at the following address:

First Things First
Finance Division
4000 N. Central Avenue, Suite 800
Phoenix, AZ 85012

An authorized First Things First representative and an authorized grantee representative may change their respective person to whom notice shall be given by written notice to the other and an amendment to the grant shall not be necessary.

- 12.7. Advertising, Publishing and Promotion of Grant. The grantee shall not use, advertise or promote information for commercial benefit concerning this grant without the prior written approval of First Things First.

- 12.8. Review of Printed Material. First Things First reserves the right to review and approve all grantee publications and/or media funded or partially funded through this grant. All grantee publications funded or partially funded through this grant shall recognize First Things First as the funding source. First Things First shall have full and complete rights to reproduce, duplicate, disclose, perform, and otherwise use all materials prepared under this grant.

The grantee agrees that any report, printed matter, or publication (written, visual, or sound, but excluding press releases, newsletters, and issue analyses) issued by the grantee describing programs or projects funded under this agreement, in whole or in part with First Things First funds and shall follow the protocol and style guide provided by First Things First. First Things First will post any applicable updated communications protocol information under the Grantee Resources section of PGMS.

- 12.9. Property of the State. Any materials and data required to be collected, delivered, or created under this grant, including but not limited to reports, computer programs and other deliverables are the sole property of the State (First Things First.) The grantee is not entitled to a patent or copyright on those materials and may not transfer the patent or copyright to anyone else. The grantee shall not use or release these materials without the prior written consent of First Things First.

- 12.10. Ownership of Intellectual Property. Any and all intellectual property, including but not limited to copyright, invention, trademark, trade name, service mark, and/or trade secrets created or conceived pursuant to or as a result of this grant and any related subgrant ("Intellectual Property"), shall be work made for hire and First Things First shall be considered the creator of such Intellectual Property. First Things First shall own (for and on behalf of the State) the entire right, title and interest to the Intellectual Property throughout the world. The grantee shall notify First Things First, within thirty (30) days, of the creation of any Intellectual Property by it or its subgrantee(s). The grantee, on

behalf of itself and any subgrantee(s), agrees to execute any and all document(s) necessary to assure ownership of the Intellectual Property vests in the State and shall take no affirmative actions that might have the effect of vesting all or part of the Intellectual Property in any entity other than the State. The Intellectual Property shall not be disclosed by grantee or its subgrantee(s) to any entity not the State without the express written authorization of the agency, department, division, board or commission of the State of Arizona requesting the issuance of this grant.

- 12.11. Federal Immigration and Nationality Act. The grantee shall comply with all federal, state and local immigration laws and regulations relating to the immigration status of their employees during the term of the grant. Further, the grantee shall flow down this requirement to all subgrantees utilized during the term of the grant. First Things First shall retain the right to perform random audits of grantee and subgrantee records or to inspect papers of any employee thereof to ensure compliance. Should First Things First determine that the grantee and/or any subgrantee be found noncompliant, First Things First may pursue all remedies allowed by law, including, but not limited to: suspension of work; termination of the grant for default; and suspension and/or debarment of the grantee.
- 12.12. E-Verify Requirements. In accordance with A.R.S. § 41-4401, the grantee warrants compliance with all Federal immigration laws and regulations relating to employees and warrants its compliance with Section A.R.S. § 23-214, Subsection A
- 12.13. Offshore Performance of Work Prohibited. Any services that are described in the specifications or scope of work that directly serve the State of Arizona or its clients and involve access to secure or sensitive data or personal client data shall be performed within the defined territories of the United States. Unless specifically stated otherwise in the specifications, this paragraph does not apply to indirect or overhead services, redundant back-up services or services that are incidental to the performance of the grant. This provision applies to work performed by subgrantees at all tiers.

13. Costs/Payments.

13.1. Applicable Taxes.

Payment of Taxes. The grantee shall be responsible for paying all applicable taxes.

Tax Indemnification. The grantee and all subgrantees shall pay all federal, state and local taxes applicable to its operation and any persons employed by the grantee. The grantee shall, and require all subgrantees to hold First Things First harmless from any responsibility for taxes, damages and interest, if applicable, contributions required under Federal, and/or state and local laws and regulations and any other costs including transaction privilege taxes, unemployment compensation insurance, Social Security and Worker's Compensation.

IRS Substitute W9 Form. In order to receive payment the grantee shall have a current IRS Substitute W9 Form on file with State of Arizona, unless not required by law.

- 13.2. Availability of Funds for the Current State Fiscal Year. If, for any reason, funding in the current state fiscal year is not available, First Things First may take any of the following

actions: 1) Accept a decrease in price offered by the grantee; 2) Cancel the grant; or 3) Cancel the grant and re-solicit the requirements.

- 13.3. Availability of Funds for the Next State Fiscal Year. Funds are not presently available for performance under this grant beyond the current fiscal year. Any future obligation of First Things First under this grant is conditioned upon the availability of funds allocated and awarded for the payment of such obligation. If funds are not allocated and available for the continuance of this grant, this grant may be terminated by First Things First at the end of the period for which funds are available. No liability shall accrue to First Things First in the event this provision is exercised, and First Things First shall not be obligated or liable for any future payments or for any damages as a result of termination under this paragraph.

14. Grant Revisions.

- 14.1. Program or Budget Modifications. Requests for program and/or budget modifications must be submitted via the First Things First Partners in Grants Management System Communication Log and approval received **prior** to the implementation of any the modifications.
- 14.2. Amendments. If it is deemed that the program or budget modification request would alter the scope of work and budget described herein, whether by modification or supplementation, then the modification must be accomplished by a formal written amendment signed and approved by and between the duly authorized representatives of the grantee and grantor. No other document, including correspondence, acts, and oral communications by or from any person, shall be used or construed as an amendment or modification or supplementation to the grant.
- 14.3. Subgrants. The grantee shall not enter into any subgrant under this grant for the performance of this grant without the advance written approval from First Things First. The grantee shall clearly list any proposed subgrantees and the subgrantee's proposed responsibilities. The subgrant shall incorporate by reference the Terms and Conditions of this grant. The grantee agrees that no subgrant that the grantee enters into with respect to performance under this grant shall in any way relieve the grantee of any responsibility for performance of its duties.
- 14.4. Assignment and Delegation. The grantee shall not assign any right nor delegate any duty under this grant without the prior written approval of First Things First. First Things First shall not unreasonably withhold approval.

15. Risk and Liability.

- 15.1. Indemnification.
- Indemnification - Patent and Copyright. The grantee shall indemnify and hold harmless First Things First against any liability, including costs and expenses, for infringement of any patent, trademark or copyright arising out of grant performance or use by First Things First of materials furnished or work performed under this grant. First Things First shall reasonably notify the grantee of any claim for which it may be liable under this paragraph. If the grantee is insured pursuant to A.R.S. § 41-621 and § 35-154, this section shall not apply.

Grantee/Vendor Indemnification (Not Public Agency). The parties to this grant agree that First Things First, its departments, Board and Councils shall be indemnified and held harmless by the grantee for the vicarious liability of First Things First as a result of entering into this grant. However, the parties further agree that First Things First, its departments, Board and Councils shall be responsible for its own negligence. Each party to this grant is responsible for its own negligence.

This indemnity shall not apply if the grantee or subgrantee(s) is/are an agency, board, commission or university of the State of Arizona.

Grantee/Vendor Indemnification (Public Agencies Only). Each party (as 'indemnitor') agrees to indemnify, defend, and hold harmless the other party (as 'indemnitee') from and against any and all claims, losses, liability, costs, or expenses (including reasonable attorney's fees) (hereinafter collectively referred to as 'claims') arising out of bodily injury of any person (including death) or property damage but only to the extent that such claims which result in vicarious/derivative liability to the indemnitee, are caused by the act, omission, negligence, misconduct, or other fault of the indemnitor, its officers, officials, agents, employees, or volunteers.

- 15.2. Insurance Requirements. The grantee and subgrantees shall procure and maintain until all of their obligations have been discharged, including any warranty periods under this grant, are satisfied, insurance against claims for injury to persons or damage to property which may arise from or in connection with the performance of the work hereunder by the grantee, his agents, representatives, employees or subgrantees.

The insurance requirements herein are minimum requirements for this grant and in no way limit the indemnity covenants contained in this grant. First Things First in no way warrants that the minimum limits contained herein are sufficient to protect the grantee from liabilities that might arise out of the performance of the work under this grant by the grantee, its agents, representatives, employees or subgrantees, and grantee is free to purchase additional insurance.

- 15.2.1. Minimum Scope and Limits of Insurance. The grantee shall provide coverage with limits of liability not less than those stated below.

Commercial General Liability – Occurrence Form

Policy shall include bodily injury, property damage, personal injury and broad form contractual liability coverage.

- General Aggregate \$2,000,000
- Products – Completed Operations Aggregate \$1,000,000
- Personal and Advertising Injury \$1,000,000
- Blanket Contractual Liability – Written and Oral \$1,000,000
- Fire Legal Liability \$50,000
- Each Occurrence \$1,000,000
- a. The policy shall be endorsed to include coverage for sexual abuse and molestation.
- b. The policy shall be endorsed to include the following additional insured language: “The State of Arizona, its departments, agencies, boards, commissions, universities and its officers, officials, agents, and

employees shall be named as additional insureds with respect to liability arising out of the activities performed by or on behalf of the grantee".

- c. Policy shall contain a waiver of subrogation against the State of Arizona, its departments, agencies, boards, commissions, universities and its officers, officials, agents, and employees for losses arising from work performed by or on behalf of the grantee.

Business Automobile Liability

Bodily Injury and Property Damage for any owned, hired, and/or non-owned vehicles used in the performance of this grant.

- Combined Single Limit (CSL) \$1,000,000
- a. The policy shall be endorsed to include the following additional insured language: "The State of Arizona, its departments, agencies, boards, commissions, universities and its officers, officials, agents, and employees shall be named as additional insureds with respect to liability arising out of the activities performed by or on behalf of the grantee, involving automobiles owned, leased, hired or borrowed by the grantee".
- b. Policy shall contain a waiver of subrogation against the State of Arizona, its departments, agencies, boards, commissions, universities and its officers, officials, agents, and employees for losses arising from work performed by or on behalf of the grantee.

Worker's Compensation and Employers' Liability

- Workers' Compensation Statutory
 - Employers' Liability
- | | |
|-------------------------|-------------|
| Each Accident | \$500,000 |
| Disease – Each Employee | \$500,000 |
| Disease – Policy Limit | \$1,000,000 |
- a. Policy shall contain a waiver of subrogation against the State of Arizona, its departments, agencies, boards, commissions, universities and its officers, officials, agents, and employees for losses arising from work performed by or on behalf of the grantee.
 - b. This requirement shall not apply to separately, EACH grantee or subgrantee exempt under A.R.S. §23-901, AND when such grantee or subgrantee executes the appropriate waiver (Sole Proprietor/Independent Contractor) form.

Professional Liability (Errors and Omissions Liability)

- Each Claim \$1,000,000
- Annual Aggregate \$2,000,000
- a. In the event that the professional liability insurance required by this grant is written on a claims-made basis, the grantee warrants that any retroactive date under the policy shall precede the effective date of this grant; and that either continuous coverage will be maintained or an extended discovery period will be exercised for a period of two (2) years beginning at the time work under this grant is completed.

- b. The policy shall cover professional misconduct or lack of ordinary skill for those positions defined in the Scope of Work of this grant.

15.2.2. Additional Insurance Requirements. The policies shall include, or be endorsed to include, the following provisions:

The State of Arizona, its departments, agencies, boards, commissions, universities and its officers, officials, agents, and employees wherever additional insured status is required such additional insured shall be covered to the full limits of liability purchased by the grantee, even if those limits of liability are in excess of those required by this grant.

The grantee's insurance coverage shall be primary insurance with respect to all other available sources.

Coverage provided by the grantee shall not be limited to the liability assumed under the indemnification provisions of this grant.

15.2.3. Notice of Cancellation. Each insurance policy required by the insurance provisions of this grant shall provide the required coverage and shall not be suspended, voided, canceled, or reduced in coverage or in limits except after thirty- (30) days prior written notice has been given to the State of Arizona. Such notice shall be sent directly to (First Things First, Fiscal Specialist, 4000 N. Central, Suite 800, Phoenix, AZ 85012) and shall be sent by certified mail, return receipt requested.

15.2.4. Acceptability of Insurers. Insurance is to be placed with duly licensed or approved non-admitted insurers in the State of Arizona with an "A.M. Best" rating of not less than A-VII. The State of Arizona in no way warrants that the above-required minimum insurer rating is sufficient to protect the grantee from potential insurer insolvency.

15.2.5. Verification of Coverage. The grantee shall furnish the State of Arizona with certificates of insurance (ACORD form or equivalent approved by the State of Arizona) as required by this grant. The certificates for each insurance policy are to be signed by a person authorized by that insurer to bind coverage on its behalf.

15.2.6. All certificates and endorsements are to be received and approved by the State of Arizona before work commences. Each insurance policy required by this grant must be in effect at or prior to commencement of work under this grant and remain in effect for the duration of the project. Failure to maintain the insurance policies as required by this grant, or to provide evidence of renewal, is a material breach of this grant.

15.2.7. All certificates required by this grant shall be sent directly to (First Things First, Fiscal Specialist, 4000 N. Central, Suite 800, Phoenix, AZ 85012). The State of Arizona project/grant number and project description shall be noted on the certificate of insurance. The State of Arizona reserves the right to require

complete, certified copies of all insurance policies required by this Grant at any time. DO NOT SEND CERTIFICATES OF INSURANCE TO THE STATE OF ARIZONA'S RISK MANAGEMENT SECTION.

15.2.8. Subgrantees. The grantees' certificate(s) shall include all subgrantees as insureds under its policies or grantee shall furnish to the State of Arizona separate certificates and endorsements for each subgrantee. All coverages for subgrantees shall be subject to the minimum requirements identified above.

15.2.9. Approval. Any modification or variation from the insurance requirements in this grant shall be made by the Department of Administration, Risk Management Section, whose decision shall be final. Such action will not require a formal Grant amendment, but may be made by administrative action.

15.2.10. Exceptions. In the event the grantee or subgrantee(s) is/are a public entity, then the Insurance Requirements shall not apply. Such public entity shall provide a Certificate of Self-Insurance. If the grantee or subgrantee(s) is/are a State of Arizona agency, board, commission, or university, none of the above shall apply.

15.3 Force Majeure.

15.3.1 Except for payment of sums due, neither party shall be liable to the other nor deemed in default under this grant if and to the extent that such party's performance of this grant is prevented by reason of force majeure. The term "force majeure" means an occurrence that is beyond the control of the party affected and occurs without its fault or negligence. Without limiting the foregoing, force majeure includes acts of God; acts of the public enemy; war; riots; strikes; mobilization; labor disputes; civil disorders; fire; flood; lockouts; injunctions- intervention-acts; or failures or refusals to act by government authority; and other similar occurrences beyond the control of the party declaring force majeure which such party is unable to prevent by exercising reasonable diligence.

15.3.2. Force Majeure shall not include the following occurrences:

Late delivery of equipment or materials caused by congestion at a manufacturer's plant or elsewhere, or an oversold condition of the market;

Late performance by a subgrantee unless the delay arises out of a force majeure occurrence in accordance with this force majeure term and condition; or

Inability of either the grantee or any subgrantee to acquire or maintain any required insurance, bonds, licenses or permits.

15.3.3. If either party is delayed at any time in the progress of the work by force majeure, the delayed party shall notify the other party in writing of such delay, as soon as is practicable and no later than the following working day, of the commencement thereof and shall specify the causes of such delay in such notice. Such notice shall be delivered or mailed certified-return receipt and shall

make a specific reference to this article, thereby invoking its provisions. The delayed party shall cause such delay to cease as soon as practicable and shall notify the other party in writing when it has done so. The time of completion shall be extended by an amendment for a period of time equal to the time that results or effects of such delay prevent the delayed party from performing in accordance with this grant.

15.3.4. Any delay or failure in performance by either party hereto shall not constitute default hereunder or give rise to any claim for damages or loss of anticipated profits if, and to the extent that such delay or failure is caused by force majeure.

15.4 Third Party Antitrust Violations. The grantee assigns to First Things First any claim for overcharges resulting from antitrust violations to the extent that those violations concern materials or services supplied by third parties to the grantee, toward fulfillment of this grant.

16. Warranties.

16.1. Liens. The grantee warrants that the materials supplied under this grant are free of liens and shall remain free of liens.

16.2. Quality. Unless otherwise modified elsewhere in these Terms and Conditions, the grantee warrants that, for one year after acceptance by First Things First of the materials, they shall be: a) of a quality to pass without objection in the trade under the grant description; b) fit for the intended purposes for which the materials are used; c) within the variations permitted by the grant and are of even kind, quantity, and quality within each unit and among all units; d) adequately contained, packaged and marked as the grant may require; and e) conform to the written promises or affirmations of fact made by the grantee.

16.3. Fitness. The grantee warrants that any material supplied to First Things First shall fully conform to all requirements of the grant and all representations of the grantee, and shall be fit for all purposes and uses required by the grant.

16.4. Inspection/Testing. The warranties set forth in subparagraphs 17.1 through 17.3 of this paragraph are not affected by inspection or testing of or payment for the materials by First Things First.

16.5 Compliance with Applicable Laws. The services supplied under this grant shall comply with all applicable federal, state and local laws, and the grantee shall maintain all applicable licenses and permit requirements.

16.5.1. Sectarian Requests. Funds may not be expended for any sectarian purpose or activity, including sectarian worship or instructions.

16.5.2. Restrictions on Lobbying. The grantee shall not use these funds to pay for, influence, or seek to influence any officer or employee of First Things First, state government or the federal government if that action may have an impact, of any nature, on this grant.

16.5.3. Licenses. The grantee shall maintain in current status all federal, state and local licenses and permits required for the operation of the business conducted by the grantee.

16.5.4. Fingerprinting. Pursuant to A.R.S. §41-1758, the grantee will obtain fingerprint cards and/or background checks as applicable. This grant may be cancelled or terminated if the fingerprint check or the certified form of any person who is employed by a provider, whether paid or not, and who is required or allowed to provide services directly to children, discloses that a person has committed any act of sexual abuse of a child, including sexual exploitation or commercial sexual exploitation, or any act of child abuse or that the person has been convicted of or awaiting trial on any criminal offenses in this state or similar offenses in another state or jurisdiction.

17. State's Contractual Remedies.

17.1 Right to Assurance. If First Things First in good faith has reason to believe that the grantee does not intend to, or is unable to perform or continue performing under this grant, the First Things First Fiscal Specialist may demand in writing that the grantee give a written assurance of intent to perform. Failure by the grantee to provide written assurance within the number of days specified in the demand may be, at First Things First's discretion, the basis for terminating the grant under the Terms and Conditions or other rights and remedies available by law or provided by the grant.

17.2 Stop Work Order.

First Things First may, at any time, by written order to the grantee, require the grantee to stop all or any part, of the work called for by this grant for period(s) of days indicated by First Things First after the order is delivered to the grantee. The order shall be specifically identified as a stop work order issued under this clause. Upon receipt of the order, the grantee shall immediately comply with its terms and take all reasonable steps to minimize the incurrence of costs allocable to the work covered by the order during the period of work stoppage.

If a stop work order issued under this clause is canceled or the period of the order or any extension expires, the grantee shall resume work. First Things First shall make an equitable adjustment in the delivery schedule or grant price, or both, and the grant shall be amended in writing accordingly.

17.3. Nonconforming Tender. Materials or services supplied under this grant shall fully comply with the grant. The delivery of materials or services or a portion of the materials or services that do not fully comply constitutes a breach of this grant. On delivery of nonconforming materials or services, First Things First may terminate the grant for default under applicable termination clauses in the grant, exercise any of its rights and remedies under the Uniform Commercial Code, or pursue any other right or remedy available to it.

17.4. Right of Offset. First Things First shall be entitled to offset against any sums due the grantee, any expenses or costs incurred by First Things First, or damages assessed by First Things First concerning the grantee's non-conforming performance or failure to

perform the grant, including expenses, costs and damages described in the Terms and Conditions.

- 17.5 Non-Exclusive Remedies. The rights and the remedies of First Things First under this grant are not exclusive.

18. Grant Termination.

- 18.1 Cancellation for Conflict of Interest. Pursuant to A.R.S. §38-511, First Things First may cancel this grant within three (3) years after grant execution without penalty or further obligation if any person significantly involved in initiating, negotiating, securing, drafting or creating the grant on behalf of First Things First is or becomes at any time while the grant or an extension of the grant is in effect an employee of or a consultant to any other party to this grant with respect to the subject matter of the grant. The cancellation shall be effective when the grantee receives written notice of the cancellation unless the notice specifies a later time. If the grantee is a political subdivision of the State of Arizona, it may also cancel this grant as provided in A.R.S. §38-511.

- 18.2 Cancellation for Failure to Perform. Failure by the grantee to adhere to any provision of this grant or its attachments in the time and manner provided by this grant or its attachments shall constitute a material default and breach of this grant and First Things First may cancel, at its option, this grant upon prior written notice. First Things First may issue a written ten (10) day notice of default to the grantee for acting or failing to act including but not limited to any of the following:

18.2.1. The grantee provides personnel that do not meet the requirements of this grant or are of an unacceptable quality.

18.2.2. The grantee fails to perform adequately the services required in this grant.

18.2.3. The grantee fails to furnish the required product or services within the time stipulated in this grant.

18.2.4 The grantee fails to make progress in the performance of the requirements of the grant and/or gives a positive indication that the grantee will not or cannot perform to the requirements of this grant.

If the grantee does not correct any problem(s) within ten (10) days after receiving the notice of default, First Things First may cancel the grant. If First Things First cancels the grant pursuant to this clause, First Things First reserves all rights or claims to damage for breach of the grant and the grantee agrees to a general release in favor of First Things First for any claim for reimbursement.

- 18.3 Gratuities. First Things First may, by written notice, terminate this grant, in whole or in part, if First Things First determines that employment or a gratuity was offered or made by the grantee or a representative of the grantee to any officer or employee of the State for the purpose of influencing the outcome of the procurement or securing the grant, an amendment to the grant, or favorable treatment concerning the grant, including the making of any determination or decision about grant performance. First Things First, in addition to any other rights or remedies, shall be entitled to recover exemplary damages in the amount of three times the value of the gratuity offered by the grantee.

- 18.4 Suspension or Debarment. First Things First may, by written notice to the grantee, immediately terminate this grant if First Things First determines that the grantee has been debarred, suspended or otherwise lawfully prohibited from participating in any public procurement activity, including but not limited to, being disapproved as a subgrantee of any public procurement unit or other governmental body. Submittal of a grant application or execution of a grant shall attest that the grantee is not currently suspended or debarred. If the grantee becomes suspended or debarred, the grantee shall immediately notify First Things First.
- 18.5 Termination for Convenience. First Things First reserves the right to terminate the grant, in whole or in part at any time, when in the best interests of First Things First without penalty or recourse. Upon receipt of the written notice, the grantee shall stop all work, as directed in the notice, notify all subgrantees of the effective date of the termination and minimize all further costs to First Things First. In the event of termination under this paragraph, all documents, data and reports prepared by the grantee under the grant shall become the property of and be delivered to First Things First upon demand. The grantee shall be entitled to receive just, equitable compensation for work in progress, work completed, and materials accepted before the effective date of the termination. The cost principles and procedures provided in A.A.C. R2-7-701 shall apply.
- 18.6 Termination for Default.
- 18.6.1. In addition to the rights reserved in the grant, First Things First may terminate the grant in whole or in part due to the failure of the grantee to comply with any term or condition of the grant; to acquire and maintain all required insurance policies, bonds, licenses and permits; to make satisfactory progress in performing the grant; or failure to comply with the Data Security Guidelines. First Things First shall provide written notice of the termination to the grantee.
- 18.6.2. Upon termination under this paragraph, all materials, documents, data and reports prepared by the grantee under the grant shall become the property of and be delivered to First Things First on demand.
- 18.6.3. Upon termination of this grant, First Things First may procure, on terms and in the manner that it deems appropriate, materials or services to replace those under this grant. The grantee shall be liable to First Things First for any excess costs incurred by First Things First in procuring services in substitution for those due from the grantee.
- 18.7. Continuation of Performance through Termination. The grantee shall continue to perform, in accordance with the requirements of the grant, up to the date of termination, as directed in the termination notice.
19. Grant Claims. All grant claims or controversies under this grant shall be resolved according to A.R.S. Title 41, Chapter 23, Article 9, and rules adopted thereunder.
20. Arbitration. The parties to this grant agree to resolve all disputes arising out of or relating to this agreement through arbitration, after exhausting applicable administrative review, to the extent it is determined that this is a public works contract under A.R.S. § 12-1518, except as may be required by other applicable statutes.

Checklist

Use the following list to make sure your Grant Application is complete and meets the requirements specified in this request for grant Applications:

- ☐ One (1) original copy marked “original”, and nine (9) additional copies
- ☐ Completed and signed First Things First Offer and Acceptance form
- ☐ Signed copy of all amendments issued for the RFGA (if applicable)
- ☐ Table of Contents
- ☐ Application including Executive Summary and response to **ALL** questions in sections A – F of Application: Responding to the Scope of Work
- ☐ Standard Agency Information Collection Form completed, Attachment A
- ☐ State of Arizona Substitute W-9 Form (must be downloaded and printed) signed, if applicable, http://www.gao.az.gov/onlineforms/forms/AZ_subw-9_010410.pdf
- ☐ Key Personnel Overview completed, Attachment B
- ☐ Implementation Plan completed, Attachment C
- ☐ Funds Requested Page, completed and signed, Attachment D
- ☐ Standard Line Item Budget, completed and signed, Attachment E
- ☐ Budget Narrative, completed and signed, Attachment F
- ☐ Disclosure of Other Funding Sources, completed and signed, Attachment G
- ☐ Financial Systems Survey is completed and signed, Attachment H
- ☐ Data Collection Form, Attachment I
- ☐ Resumes for all personnel listed in the budget
- ☐ One copy of your agency’s most recent audited, reviewed or compiled financial statements as well as a schedule showing the total federal funds (by granting agency) expended by your agency for the most recent fiscal year included with the Application marked Original.
- ☐ Page numbers are included on all pages, in sequence, twelve point font or larger and single-spaced, with one inch margins or wider.
- ☐ In the original application, documents requiring signatures should have **ORIGINAL** signatures.
- ☐ Do **NOT** bind your Application in spiral binders or in 3-ring notebooks. Please submit your Applications either stapled in the upper left-hand corner or use a binder clip.
- ☐ When submitting your Application, insure your organization name and the Request for Grant Application Number (**found on Page 1 of this RFGA**) is CLEARLY marked on the outside of the SEALED envelope/package.
- ☐ **It is the responsibility of each Applicant to insure their Application is delivered to First Things First by the due date and time listed on Page 2 of this RFGA.** Please allow for such contingencies as heavy traffic, weather, directions, parking, security, etc.

Attachments and Exhibits

Attachment A	Standard Agency Information Collection Form
Attachment B	Key Personnel Overview – Quality First Child Care Scholarships Key Personnel Overview – Pre-Kindergarten Scholarships
Attachment C	Implementation Plan
Attachment D	Funds Requested Page
Attachment E	Line Item Budget Form – Quality First Child Care Scholarships Line Item Budget Form – Pre-Kindergarten Scholarships
Attachment F	Budget Narrative Explanation
Attachment G	Disclosure of Other Funding Sources
Attachment H	Financial Systems Survey
Attachment I	Data Collection Form

Exhibit A	First Things First Regional Boundary Descriptions
Exhibit B	Strategy Summary – Quality First Scholarships
Exhibit C	Standard of Practice – Quality First Scholarships
Exhibit D	Quality First Scholarship “Base” Model Slots
Exhibit E	Quality First Scholarship Reimbursement Rates
Exhibit F	Quality First Scholarship Implementation Guide
Exhibit G	Quality First Scholarship Allotment by Region
Exhibit H	Standard Terms Defined
Exhibit I	Sample Certificate of Insurance
Exhibit J	Target Service Unit Guidance Document
Exhibit K	Data Security Guidelines and Requirements

Attachment A

FIRST THINGS FIRST STANDARD AGENCY INFORMATION COLLECTION FORM

A. Agency Information:

Program Name (if applicable) _____

Agency _____ Contact Person _____

Address _____ Position _____

Address _____ Email _____

City, State, Zip _____ Phone _____ x _____ Fax _____

County _____ Employer Identification Number: _____

Agency Classification: ☐ State Agency ☐ County Government ☐ Local Government ☐ Schools
 ☐ Tribal ☐ Faith Based ☐ Non Profit ☐ Private Organization ☐ Other

Have you previously conducted business with First Things First using this EIN? ☐ Y ☐ N

If **NO**, please go to the following website, download the State of Arizona Substitute W-9 Form and submit with your Application: http://www.gao.az.gov/Vendor/account_setup_home.asp.

In which Congressional (Federal) District is your agency? Enter District # _____
<http://www.azredistricting.org> (click on Final Maps)

In which Legislative (State) District is your agency? Enter District # _____
<http://www.azredistricting.org> (click on Final Maps)

Approximately how much FEDERAL funding (from a Federal Source) will your organization expend in your current fiscal year? \$ _____

What is your organization's fiscal year-end date? _____

Accounting Method: ☐ Cash ☐ Accrual

Does your organization undergo an annual independent audit in accordance with OMB Circular A-133? ☐ Y ☐ N

Please provide contact information of the audit firm conducting your audit:

Agency _____

Address _____

Phone Number _____

B. Proposed Program Information / Description:

Amount requested: _____

Service area of proposed program: _____

Target population of proposed program: _____

Number of scholarship slots for children 0-5 years to be served across all regions: _____

Please provide a **brief** description of the **proposed program** in one or two paragraphs and this will be the source for a public description describing the nature of the program being implemented that will be used by First Things First.

C. Contact Information

First Things First Partner and Grants Management System (PGMS) require four designated contacts for contact with First Things First related to this grant (the same person may be assigned to more than one of the roles, if appropriate).

Main Contact Information – This should be information for the person designated as the Main contact for this grant award and this person can view all information related to this grant (financial, programmatic and data collection/evaluation in nature). This person will also be the primary contact for First Things First and should be the person responsible for ensuring the program plan is implemented. Primary correspondence from First Things First will be sent to this person.

Main Contact Person _____

Position _____

Address _____

City, State, Zip _____

Email _____

Phone _____ x _____ Fax _____

Program Contact Information – This should be information for the person designated as the Program contact for this grant award and this person can view information related to this grant for program or data collection purposes only.

Program Contact Person _____

Position _____

Address _____

City, State, Zip _____

Email _____

Phone _____ x _____ Fax _____

Financial Contact Information – This should be information for the person designated as the financial contact for this grant award and this person can view information related to this grant for financial purposes only.

Financial Contact Person _____

Position _____

Address _____

City, State, Zip _____

Email _____

Phone _____ x _____ Fax _____

Evaluation Contact Information – This should be information for the person designated as the Evaluation contact for this grant award and this person can view information related to this grant for data collection purposes only.

Evaluation Contact Person _____

Position _____

Address _____

City, State, Zip _____

Email _____

Phone _____ x _____ Fax _____

In addition, your application may have included information about a collaborating partner/agency. Please replicate this information as many times as necessary to document the participation and agreement to be involved with the application as a collaborating agency/partner.

Collaborator

Agency_____	Contact Person_____
Address_____	Position_____
Address_____	Email_____
City, State, Zip_____	Phone_____x_____Fax_____
County_____	

Collaborator

Agency_____	Contact Person_____
Address_____	Position_____
Address_____	Email_____
City, State, Zip_____	Phone_____x_____Fax_____
County_____	

Collaborator

Agency_____	Contact Person_____
Address_____	Position_____
Address_____	Email_____
City, State, Zip_____	Phone_____x_____Fax_____
County_____	

Collaborator

Agency_____	Contact Person_____
Address_____	Position_____
Address_____	Email_____
City, State, Zip_____	Phone_____x_____Fax_____
County_____	

Attachment B

KEY PERSONNEL OVERVIEW* QUALITY FIRST SCHOLARSHIPS

STAFF MEMBER	BACKGROUND AND EXPERTISE OF PERSONNEL
Name: Title: FTE on this project:	
Name: Title: FTE on this project:	
Name: Title: FTE on this project:	
Name: Title: FTE on this project:	
Name: Title: FTE on this project:	
Name: Title: FTE on this project:	

***In addition to this overview, please attach a resume (for current personnel) or a job description (for positions to be hired) for the key individuals involved in the project. If awarded and your project experiences changes in staff, notification must be sent to First Things First. In addition, if you are describing a position to be hired, you must send staff notification and resume to First Things First when the position is filled.**

KEY PERSONNEL SHOULD INCLUDE ANYONE WHO WILL BE PAID FROM THE GRANT

Attachment C

July 1, 2014 – June, 30 2015 Implementation Plan

Activities	Task	Person Responsible	Date Task Will Be Completed/Timeline	Support Documentation

Attachment D

FUNDS REQUESTED PAGE

The Offer must state a firm, fixed total guaranteed not-to-exceed amount of funds requested for the Grant.

\$_____Total Funds Requested

Authorized Signature_____

Date_____

Job Title _____

Attachment E and F Instructions

How to Complete the Line Item Budget and Budget Narrative

Complete a 12-month budget for the period July 1, 2014 through June 30, 2015 using the template provided in Attachment E. Please make sure you include a budget narrative as Attachment F.

Please keep in mind items described in a line item budget and in more detail in the budget narrative should describe how the costs were determined and the public purpose for the cost related successfully implementing the project. Please assure that all requested funds follow these guidelines:

- Be necessary and reasonable for proper and efficient performance and administration of First Things First funds.
- Be authorized or not prohibited under State or local laws or regulations.
- Be consistent with policies, regulations, and procedures that apply uniformly to all costs charged and expended by the agency – consistent treatment of costs.
 - For example – a cost may not be assigned to another grant award as an indirect cost if any other cost incurred for the same purposes in like circumstances has been allocated to the First Things First award as a direct cost.
 - For example – a cost for a certain type of expense is charged one rate to another source of funding and a different rate to First Things First - this would not be consistent treatment of costs.
- Be determined in accordance with generally accepted accounting principles.
- Be adequately documented.
- All travel related costs for these trainings and meetings should be included in the Applicant's budget and calculated using the State of Arizona travel rate limitations for mileage, per diem and lodging as described on the budget narrative worksheet. For more information about the state requirements, visit <http://www.gao.az.gov/travel/>.
- Requests for line item modifications, which do not change the total program funding, shall be requested in writing and shall only be made following receipt of written authorization from First Things First.

Please note the line items included in the budget template represent the types of costs possible for a line item budget these line items may or may not be applicable or appropriate for your Application. Your budget line items requested must fit within one of the categories listed. However, it is expected that you would not need to utilize all of the sample line items.

Attachment E – Line Item Budget

QUALITY FIRST SCHOLARSHIPS

While you must use this format, you may reproduce it with Word Processing or Spreadsheet software. Limit your budget line items to the following categories: Personnel, Fringe Benefits, Professional Services, Travel, Pass-Through (i.e. Sub grants), Other Operating Expenses and Administrative/Indirect Costs.

Budget period: July 1, 2014 – June 30, 2015

Budget Category	Line Item Description	Requested Funds	Total Cost
PERSONNEL SERVICES		Personnel Services Sub Total	\$
Salaries			
EMPLOYEE RELATED EXPENSES		Employee Related Expenses Sub Total	\$
Fringe Benefits or Other ERE			
PROFESSIONAL AND OUTSIDE SERVICES		Professional & Outside Services Sub Total	\$
Contracted Services			
TRAVEL		Travel Sub Total	\$
In-State Travel			
Out of State Travel			
AID TO ORGANIZATIONS OR INDIVIDUALS		Aid to Organizations or Individuals Sub Total	\$
Subgrants or Subcontracts to organizations/agencies/entities			
OTHER OPERATING EXPENSES		Other Operating Expenses Sub Total	\$
<ul style="list-style-type: none"> • Telephones/Communications Services • Internet Access • General Office Supplies • Food • Rent/Occupancy • Evaluation (non-contracted & non-personnel expenses) • Utilities • Furniture • Postage • Software (including IT supplies) • Dues/Subscriptions • Advertising • Printing/Copying • Equipment Maintenance • Professional Development/Staff Training • Conference Workshops/ Training Fees for Staff • Insurance • Program Materials • Program Supplies • Scholarships • Program Incentives 			
NON-CAPITAL EQUIPMENT		Non-Capital Sub Total	\$
Equipment \$4,999 or less in value			
Subtotal Direct Program Costs:			\$
ADMINISTRATIVE/INDIRECT COSTS		Total Admin/Indirect	\$
Indirect/Admin Costs		\$	\$
Total		\$	\$

Authorized signature _____

Date _____

Attachment F – Budget Narrative

The purpose of the budget narrative is to provide more clarity and detail on the various budget line items. The budget narrative should explain the criteria used to compute the budget figures on the budget form. Please verify that the narrative and budget form correspond and the calculations and totals are accurate. ***Please include one narrative that matches the 12-month line item budget categories and subcategories.***

Personnel Services: *Include information such as position title(s), name of employee (if known), salary, time to be spent on this program (hours or %), number of months assigned to this program, etc. Explain how the salary rate for each position was determined. If salaries are expected to increase during the project year, indicate the percentage increases for each position and justify the percent of the salary increase. Also, be sure to include the scheduled salary increases on the Budget Form.*

Employee Related Expenses: *Include a benefit percentage and what expenses make up employee benefit costs. Indicate any special rates for part-time employees, if applicable. Explain how the benefits for each position were determined. If using a fringe benefit rate, explain how this percentage is justified or approved by your agency.*

Professional and Outside Services: *If professional consultants/services costs are proposed in the budget, define how the costs for these services were determined and the justification for the services related to the project. Explain how all contracts will be procured.*

Travel: *Separate travel that is in-state and out-of-state. Include a detailed breakdown of hotel, transportation, meal costs, etc. Indicate the location(s) of travel, the justification for travel, how many employees will attend and how the estimates have been determined. Explain the relationship of each cost item to the project (e.g., if training or training expenses are requested, explain the topic of the training and its relationship to the project). Applicants **must** use the State of Arizona Travel Policy on rates limitations for mileage, lodging, and meals (<http://www.gao.az.gov/travel/>) for both in-state and out-of-state travel.*

Aid to Organizations or Individuals: *In the event that this application represents collaboration and the contract will be utilizing other sub grantees or subcontractors to perform various components of the program, include a list of sub grantees, programmatic work each sub grantee will perform, and how costs for each sub grantee are determined.*

Other Operating Expenses: *Explain each item to be purchased, how the costs were determined and justify the need for the items. All purchases should be made through competitive bid or using established purchasing procedures. All items should be categorized in the following categories: Telephones / Communications Services, Internet Access, General Office Supplies, Food, Rent/Occupancy, Evaluation (non-contracted and non-personnel expenses), Utilities, Furniture, Postage, Software (including IT supplies), Dues/Subscriptions, Advertising, Printing/Copying, Equipment Maintenance, Professional Development/Staff Training, Conference Workshops/ Training Fees for Staff, Insurance, Program Materials, Program Supplies, Scholarships, and Program Incentives*

Non-Capital Equipment: *For items with a unit cost less than \$5,000 and an initial estimated useful life beyond a single year, explain each item to be purchased, how the costs were determined and justify the need for the items. All purchases should be made through competitive bid or using established purchasing procedures. For example, items such as computers, printers, projectors, etc. each with a unit cost less than \$5,000.*

Administrative/Indirect Costs: *Administrative costs are general or centralized expenses of overall administration of an organization that receives grant funds and does not include particular program costs. For organizations that have an established federally approved indirect cost rate for Federal awards, indirect costs mean those costs that are included in the organization's indirect cost rate. Such costs are generally identified with the organization's overall operation and are further described in 2 CFR 220, 2 CFR 225, and 2 CFR 230.*

Applicants must list either Option A or Option B and provide proper justification for expenses included:

- ☐ **Option A - Administrative Costs:** *with proper justification, sub grantees may include an allocation for administrative costs for up to 10% of the total direct costs requested of the grant request. Administrative costs may include allocable direct charges for: costs of financial, accounting, auditing, contracting or general legal services; costs of internal evaluation, including overall organization's management improvement costs; and costs of general liability insurance that protects the organization(s) responsible for operating a project, other than insurance costs solely attributable to the project. Administrative costs may also include that portion of salaries and benefits of the project's director and other administrative staff not attributable to the time spent in support of a specific project.*

OR

- ☐ **Option B - Federally Approved Indirect Costs:** *If your organization has a federally approved indirect cost rate agreement in place, grantees may include an allocation for indirect costs for up to 10% of the direct costs. **Applicants must provide a copy of their federally approved indirect cost rate agreement.***

Indirect costs are costs of an organization that are not readily assignable to a particular project, but are necessary to the operation of the organization and the performance of the project. The cost of operating and maintaining facilities, depreciation, and administrative salaries are examples of the types of costs that are usually treated as indirect.

Authorized signature _____ Date _____

Attachment G

DISCLOSURE OF OTHER FUNDING SOURCES

Please list all other funding that your organization currently receives from State or Public Agencies, Federal Agencies, Non-Profit Organizations, or any other source providing funding for the proposed Program*. A.R.S. §8-1183 provides for a prohibition on supplanting of state funds by First Things First expenditures, meaning that no First Things First monies expended are to be used to take the place of any existing state or federal funding for early childhood development and health programs.

Use a continuation sheet if necessary. The following form may be reproduced with word processing software or another form may be created that contains all the information requested.

Type of Funding (Federal, State, local, other)	Received From	Amount	✓ If used for match on this grant
TOTAL:			

***This table should include only those funds that will support the program detailed in this Application.**

Authorized signature_____ Date_____

Job Title _____

Attachment H

FIRST THINGS FIRST FINANCIAL SYSTEMS SURVEY

Name of Applicant: _____

Please answer every question by filling in the circle next to the correct answer. Attach materials and document comments as required.

As stewards of federal and state funds, First Things First awards funds to organizations (regardless of how small or large) that are both capable of achieving project goals/objectives and upholding their responsibility for properly managing funds as they achieve those objectives.

This survey will be used primarily for initial monitoring of the organization. This survey may also be used in evaluating the financial capability of the organization in the award process. Deficiencies should be addressed for corrective action and the organization should consider procuring technical assistance in correcting identified problems.

A. GENERAL INFORMATION

1. Has your organization received a Federal or State Grant within the last two years?	<input type="radio"/> YES <input type="radio"/> NO
2. Has your organization completed an A-133 Single Audit within the past two years? If yes, please attach a complete copy of your A-133 Audit, including, but not limited to, your Management Letter, Findings and Questioned Costs.	<input type="radio"/> YES <input type="radio"/> NO
3. If your organization has not completed an A-133 Single Audit, have your financial statements been audited, reviewed or compiled by an independent Certified Public Accountant within the past two years? If yes, please attach a complete copy of the most recent audited, reviewed or compiled financial statements. NOTE THAT ONLY ONE COPY OF YOUR AUDIT NEEDS TO BE INCLUDED WITH THE APPLICATION MARKED "ORIGINAL". It is not necessary to include additional copies with each copy of the completed Application.	<input type="radio"/> YES <input type="radio"/> NO
4. Please attach a schedule showing the TOTAL federal funds (by granting agency) expended by your agency for the most recent fiscal year. Note: If your organization had an A-133 Single Audit, a copy of the "Schedule of Expenditures for Federal Awards" can be submitted. ONLY ONE COPY IS NEEDED, TO BE INCLUDED WITH THE APPLICATION MARKED "ORIGINAL"	<input type="radio"/> Not applicable for State of Arizona agencies
5. Has your organization been granted tax-exempt status by the Internal Revenue Service?	<input type="radio"/> YES <input type="radio"/> NO <input type="radio"/> N/A
6. If you answered YES to question #5, under what section of the IRS code? <input type="radio"/> 501 C (3) <input type="radio"/> 501 C (4) <input type="radio"/> 501 C (5) <input type="radio"/> 501 C (6) <input type="radio"/> Other Specify: _____	
7. Does your organization have established policies related to salary scales, fringe benefits, travel reimbursement and personnel policies?	<input type="radio"/> YES <input type="radio"/> NO

B. FUNDS MANAGEMENT

1. Which of the following describes your organization's accounting system?	<input type="radio"/> Manual <input type="radio"/> Automated <input type="radio"/> Combination
2. How frequently do you post to the General Ledger?	<input type="radio"/> Daily <input type="radio"/> Weekly <input type="radio"/> Monthly <input type="radio"/> Other
3. Does the accounting system completely and accurately track the receipt and disbursements of funds by each grant or funding source?	<input type="radio"/> YES <input type="radio"/> NO
4. Does the accounting system provide for the recording of actual costs compared to budgeted costs for each budget line item?	<input type="radio"/> YES <input type="radio"/> NO
5. Are time and effort distribution reports maintained for employees working fully or partially on state or federal grant programs that account for 100% of each employee's time?	<input type="radio"/> YES <input type="radio"/> NO
6. Is your organization familiar with Federal Cost Principles (i.e., 2 CFR 220, 2 CFR 225, and 2 CFR 230)?	<input type="radio"/> YES <input type="radio"/> NO
7. How does your organization plan to charge common/indirect costs to this grant? NOTE: Those organizations using allocable direct charges must attach a copy of the methodology and calculations in determining those charges. Those organizations using a federally approved indirect cost rate must attach a copy of the approval documentation issued by the federal government.	<input type="radio"/> Direct Charges <input type="radio"/> Utilizing an Indirect Cost Allocation Plan or Rate

C. INTERNAL CONTROLS

1. Are duties of the bookkeeper/accountant segregated from the duties of cash receipt or cash disbursement?	<input type="radio"/> YES <input type="radio"/> NO
2. Are checks signed by individuals whose duties exclude recording cash received, approving vouchers for payment and the preparation of payroll?	<input type="radio"/> YES <input type="radio"/> NO
3. Are all accounting entries and payments supported by source documentation?	<input type="radio"/> YES <input type="radio"/> NO
4. Are cash or in-kind matching funds supported by source documentation?	<input type="radio"/> YES <input type="radio"/> NO
5. Are employee time sheets supported by appropriately approved/signed documents?	<input type="radio"/> YES <input type="radio"/> NO
6. Does the organization maintain policies that include procedures for assuring compliance with applicable cost principles and terms of each grant award?	<input type="radio"/> YES <input type="radio"/> NO

D. PROCUREMENT

1. Does the organization maintain written codes of conduct for employees involved in awarding or administering procurement contracts?	<input type="radio"/> YES <input type="radio"/> NO
2. Does the organization conduct purchases in a manner that encourages open and free competition among vendors?	<input type="radio"/> YES <input type="radio"/> NO
3. Does the organization complete some level of cost or price analysis for every major purchase?	<input type="radio"/> YES <input type="radio"/> NO
4. Does the organization maintain a system of contract administration to ensure Grantee conformance with the terms and conditions of each contract?	<input type="radio"/> YES <input type="radio"/> NO
5. Does the organization maintain written procurement policies and procedures?	<input type="radio"/> YES <input type="radio"/> NO

E. CONTACT INFORMATION

Please indicate the following information. In the event that First Things First has questions about this survey, this individual will be contacted.

Prepared By: _____

Job Title: _____

Date: _____

Phone/Fax/Email: _____

F. CERTIFICATION

I certify that this report is complete and accurate, and that the Grantee has accepted the responsibility of maintaining the financial systems.

Authorized Signature

G. COMMENT AND ATTACHMENTS

Please use the space below to comment on any answers in Sections A – D. Please indicate the Section and Question number next to each comment.

Number of Attachments (please number each attachment): _____

COMMENTS:

Attachment I

Data Collection Form

Performance Measure	Plan for Data Collection	Plan for Using the Data	Quality Assurance

Exhibit A

First Things First Regional Boundary Descriptions

Regional Partnership Council Boundary Areas

Narrative Descriptions – FY15

Effective 7/1/14

Cochise Regional Partnership Council provides services throughout Cochise County. It also includes all of ZIP Code 85602, which crosses into Pima County.

Coconino Regional Partnership Council provides services throughout Coconino County and the Tribal lands which include the portion of the Hopi Tribe in Navajo County, the San Juan Southern Paiute Tribe, the Kaibab Band of Paiute Indians and the Havasupai Tribe. It also includes the city of Winslow. The regional area does not include the city of Sedona in Coconino County, the portion of the Hualapai Reservation or the Navajo Nation in Coconino County, nor the Forest Lakes Community located in Coconino County.

Cocopah Tribe Regional Partnership Council provides services in the communities of the Cocopah Tribe.

Colorado River Indian Tribes Regional Partnership Council provides services in the communities within the Arizona boundaries of the Colorado River Indian Reservation including the town of Parker, Arizona.

East Maricopa Regional Partnership Council provides services to the communities of Ahwatukee, Carefree, Cave Creek, Chandler, Fort McDowell Yavapai Nation, Fountain Hills, Guadalupe, Paradise Valley, Rio Verde, Scottsdale, and Tempe. The ZIP Codes associated with those cities are 85044, 85045, 85048, 85224, 85225, 85226, 85248, 85249, 85250, 85251, 85253, 85254, 85255, 85257, 85258, 85259, 85260, 85262, 85263, 85264, 85266, 85268, 85281, 85282, 85283, 85284, 85286, 85331, and 85377. The regional area does not include the portion of the Salt River Pima-Maricopa Indian Community.

Gila Regional Partnership Council provides services to Gila County including the communities of Claypool, Globe, Hayden, Miami, Payson, Pine, Roosevelt, Star Valley, Tonto Basin, Winkelman and Young as well as the Tonto Apache Tribe. The regional area does not include the White Mountain Apache Tribe of the Fort Apache Reservation nor the San Carlos Reservation.

Gila River Indian Community Regional Partnership Council provides services in the Gila River Indian Reservation Community.

Graham/Greenlee Regional Partnership Council provides services within Graham County and Greenlee County. The region does not include the San Carlos Reservation.

Hualapai Tribe Regional Partnership Council provides services in the communities of the Hualapai Indian Tribe Reservation.

La Paz/Mohave Regional Partnership Council provides services within La Paz County, Mohave County and the Arizona portion of the Fort Mojave Indian Tribe. The regional area does not include the Colorado River Indian Reservation, the Hualapai Indian Tribe or the Kaibab Indian Reservation.

Navajo Nation Regional Partnership Council provides services throughout the Navajo Nation within Arizona.

Navajo/Apache Regional Partnership Council provides services in Navajo and Apache counties including the Zuni Reservation. The regional area also includes the unincorporated community of Forest Lakes. The regional area does not include the city of Winslow or the Fort Apache Reservation, the Navajo Nation, or the Hopi Tribe.

Northwest Maricopa Regional Partnership Council provides services within the cities of Aguila, El Mirage, Glendale, Luke Air Force base, Morristown, Peoria, Sun City, Sun City West, Surprise, Waddell, Wickenburg, Wittmann, and Youngtown. The ZIP Codes associated with those cities are 85301, 85302, 85303, 85305, 85307, 85309, 85320, 85335, 85342, 85345, 85351, 85355, 85358, 85361, 85363, 85372, 85373, 85374, 85375, 85376, 85378, 85379, 85381, 85382, 85383, 85385, 85387, 85388, and 85390. The regional area also includes the portions of ZIP Codes 85304, 85306, 85308, and 85310 within Glendale city limits. The regional area does not include ZIP Code 85390 which is in Buckeye city limits.

Pascua Yaqui Tribe Regional Partnership Council provides services in the Pascua Yaqui Tribe.

Phoenix North Regional Partnership Council provides services in the northern portion of New River and the city of Phoenix including ZIP Codes 85012, 85013, 85014, 85015, 85016, 85017, 85018, 85019, 85020, 85021, 85022, 85023, 85024, 85027, 85028, 85029, 85032, 85050, 85051, 85053, 85054, 85083, 85085, 85086, 85087, and Phoenix city limit portions of 85304, 85306, 85308, and 85310. The regional area does not include the city limits of Cave Creek, Glendale or Paradise Valley.

Phoenix South Regional Partnership Council provides services in the southern portion of the city of Phoenix including ZIP Codes 85003, 85004, 85006, 85007, 85008, 85009, 85031, 85033, 85034, 85035, 85037, 85040, 85041, 85042, 85043, and the portion of ZIP Code 85339 in Maricopa County. Phoenix South services communities south of the city of Glendale, south of Paradise Valley, west of Scottsdale, west of Tempe, west of Guadalupe, northwest of Chandler, northeast of Gila River Indian Community, and east of Tolleson and Avondale.

Pima North Regional Partnership Council provides services to the communities of Mount Lemmon, Marana, , Oro Valley, South Tucson and the Northern Foothills part of Tucson, including ZIP Codes 85619, 85658, 85701, 85704, 85705, 85707, 85708, 85710, 85711, 85712, 85713, 85714, 85715, 85716, 85718, 85719, 85726, 85730, 85737, 85739, 85741, 85742, 85743, 85745, 85748, 85749, 85750, 85755 and the portion of ZIP Code 85653 in Pima County. The regional area also includes Davis Monthan AFB, ZIP Code 85707.

Pima South Regional Partnership Council provides services to Pima South County including Ajo, Amado, Arivaca, Green Valley, Lukeville, Sahuarita, Sasabe, Vail and some Tucson ZIP Codes including 85321, 85341, 85601, 85611, 85614, 85622, 85629, 85633, 85637, 85641, 85645, 85706, 85709, 85717, 85735, 85736, 85746, 85747, 85756, and 85757. The regional area also includes ZIP Code 85645 in Santa Cruz County. Th regional area does not include the portion of the Tohono O’odham Nation in Pima County nor ZIP Code 85602 in Pima County.

Pinal Regional Partnership Council provides services throughout Pinal County and the Ak-Chin Indian Indian Community. The area does not include the portion Apache Junction city limits or ZIP Code 85120 within Maricopa County, the Tohono O’odham Nation, the Gila River Indian Community or the San Carlos Reservation.

Salt River Pima-Maricopa Indian Community Regional Partnership Council provides services in the communities of the Salt River Pima-Maricopa Indian Community.

San Carlos Apache Regional Partnership Council provides services in the communities of the San Carlos Apache Tribe located on the San Carlos Apache Reservation.

Santa Cruz Regional Partnership Council provides services to the communities of Santa Cruz County. The regional area does not include ZIP Code 85645 or the city of Amado.

Southeast Maricopa Regional Partnership Council provides services to the communities of Gilbert, Higley, Mesa, Queen Creek and the following ZIP Codes in Maricopa County: 85120, 85142, 85201, 85202, 85203, 85204, 85205, 85206, 85207, 85208, 85209, 85210, 85212, 8213, 85215, 85233, 85234, 85295, 85296, 85297, and 85298. The regional area does not include the portion of Salt River Pima-Maricopa Indian Community, the Gila River Indian Community or the portion of Apache Junction city limits within Maricopa County.

Southwest Maricopa Regional Partnership Council provides services within the communities of Arlington, Avondale, Buckeye, Dateland, Gila Bend, Goodyear, Litchfield Park, Palo Verde, Tolleson, and Tonopah. The regional area also includes ZIP Codes 85139, 85322, 85323, 85326, 85333, 85337, 85338, 85340, 85343, 85353, 85354, 85392, 85395, and 85396 in Maricopa County. The regional area does not include the portion of Tohono O’odham Nation or Gila River Indian Community.

Tohono O’odham Nation Regional Partnership Council provides services in the Tohono O’odham Nation.

White Mountain Apache Tribe Regional Partnership Council provides services in the communities of the White Mountain Apache Tribe of the Fort Apache Reservation.

Yavapai Regional Partnership Council provides services in the communities of Yavapai County, including the Yavapai-Apache Nation. The regional area also includes the portion of the city of Sedona located in Coconino County.

Yuma Regional Partnership Council provides services to the communities located in Yuma County, including the Quechan Tribe of Fort Yuma Indian Reservation of Arizona. The regional area does not include the Cocopah Tribe of Arizona.

Exhibit B

Strategy Summary – Quality First Scholarships

GOAL AREA: QUALITY, ACCESS & AFFORDABILITY

STRATEGY NAME: QUALITY FIRST SCHOLARSHIPS

STRATEGY SUMMARY	EVIDENCE / RESEARCH	CONSIDERATIONS FOR IMPLEMENTATION AND COST	COST
<p>Quality First Scholarships are payments to early childhood providers for use by families at or below 200% of Federal Poverty Level to pay the full or partial cost of care for children five and younger. Scholarships benefit children, families, early care and education providers and communities.</p> <p>Quality First Scholarships are considered an ongoing commitment to help families afford higher levels of quality care and to support the achievement and maintenance of quality improvements.</p> <p>Quality First Scholarships will be available for all programs enrolled in Quality First Full Participation and Rating Only.</p> <p>The number of scholarships and</p>	<p>Access to high quality early care and education is an important factor in school readiness, and is particularly important for high-risk children living in poverty.</p> <p>Most of the evidence for providing Scholarships rests on what we know about children who cannot access high quality early care and education programs. Without access, these children are less ready to begin and realize success in school and later in life.</p> <p>Lally, J. R. & Signer, S. M. Introduction to Continuity. Available at: http://www.pitc.org/cs/pitclib/download/pitc_res/360/Introduction%20to%20Continuity.pdf?x-r=pcfile_d</p> <p>Heckman, J.J. 2008. The Case for Investing in Disadvantaged Young Children. In: Big Ideas for Children: Investing in Our Nation's Future.</p>	<p>Quality First Scholarships, an access and affordability strategy, is integrated into Quality First, First Things First's signature Quality Improvement and Rating System. Regional Councils that fund Quality First will also fund Quality First Scholarships for all Quality First enrolled programs.</p> <p>Regional Partnership Councils may elect to fund additional scholarships above what is available in the Quality First package. However, Councils should consider whether it is most effective in building a high quality system to fund additional Quality First slots with scholarships rather than additional scholarships for programs already in Quality First.</p> <p>When deciding to fund more scholarships than those included in the Quality First package, Councils may fund no more than double the maximum amounts per center rating and size. The maximum number of scholarships available to a Quality First enrolled provider ("base" model slots) is based on the Quality First rating, the licensed capacity for children 5 and younger (see Table on page 3).</p> <p>If a Council chooses to fund additional scholarships, rather than more Quality First programs, clear justification for this decision must be documented in the Operational Notes.</p> <p>Consideration of the sustainability of those numbers over</p>	<p>Reimbursement rate per scholarship is indicated in the table below and varies by star level and age of child.</p> <p>For Regional Council Planning: Scholarships are included in the Quality First package based on a regional specific formula. Please refer to the Quality First Financing Model to determine the cost of scholarships in your region.</p>

<p>payment rate of scholarships are determined by the program size and Quality First rating. Quality First Scholarships are a significant component of the financing model, providing access to quality early care settings for low-income children. Higher quality programs receive a higher reimbursement for each scholarship. (see Quality First “Base” Model slots below)</p> <p>Scholarships are most often used for full-time care. A full time scholarship can be split into two part-time time slots in the following situations:</p> <ul style="list-style-type: none"> • a child is attending less than 28 hours per week, or • a part-time model meets the needs of the families. <p>Family income is used in determining eligibility and may not exceed 200% of the federal poverty level.</p>	<p>Available at: http://www.firstfocus.net/sites/default/files/r.2008-9.15.ff_.pdf</p> <p>Shonkoff, J. P. & Phillips, D.A. (2000). From Neurons to Neighborhoods: The Science of Early Childhood Development. National Academy Press. Washington, DC. http://www.nap.edu/openbook.php?isbn=0309069882</p>	<p>time and the consequences such as providers becoming overly dependent on this funding to support their services or providers losing scholarships due to the council funding plan not being able to sustain the numbers over time.</p> <p>A Regional Council may consider funding more than double the base model slots. If the Council determines that this is necessary in the region or in a specific zip code, justification must be included in the Operational Notes.</p> <p>Quality First Scholarships will be aligned with high quality programs as indicated by a Quality First rating of 3, 4 or 5. This expectation will be phased in as indicated below:</p> <p>FY2015, scholarships will not be available to programs with a Quality First rating of 1.</p> <p>FY2016 scholarships will not be available to programs with a Quality First rating of 1 or 2.</p> <p>A Regional Council may consider funding programs with a Quality First rating of 1 or 2 in years that they are no longer eligible. If the Council determines that this is necessary for the entire region or in a specific zip code, justification must be included in the Operational Notes.</p> <p>Any decrease in scholarships due to Quality First rating eligibility should only occur through attrition. Every effort will be made to reduce the impact on both the families receiving the scholarships and the providers which rely upon them for ongoing financial support.</p> <p>Other factors for consideration by Regional Councils include:</p> <ul style="list-style-type: none"> • Utilization of scholarships during previous years and numbers of families and providers receiving scholarships. • Possibility of philanthropic, corporate, public school, or private sources available to participate as partners to also provide scholarships in order to support access to quality 	
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		programming for children in low income families.	
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Quality First “Base” Model Slots

	<u>Large</u>	<u>Medium</u>	<u>Small</u>	<u>Home</u>
2 Star	9	6	4	1
3 Star	12	9	6	2
4 Star	15	11	8	3
5 Star	17	12	9	4

Annual Quality First Scholarship Reimbursement Rates

Type	<u>Age</u>	<u>1 Star</u>	<u>2 star</u>	<u>3 – 5 star</u>
Center				
	0 – 36 Month		\$7,969.00	\$11,300.00
	37 – 72 Months		\$6,000.00	\$7,300.00
Home				
	0 – 36 Month		\$5,625.00	\$7,600.00
	37 – 72 Months		\$4,875.00	\$6,200.00

Exhibit C

Standard of Practice – Quality First Scholarships

I. Description of Strategy

First Things First has identified a need to improve the access and affordability of high quality early care and education in Arizona for children five and younger as well as to increase the number of children who receive high quality early care and education services in order to improve young children's success in school and in life. High quality early childhood services are strongly linked to both academic and life-skills success among children, especially those from families with several risk factors such as low income and low educational levels of parents and/or caregivers. Quality First is the First Things First quality improvement and rating system for ensuring that standards of quality which lead to optimal outcomes for children are met. The Quality First Scholarship strategy is one financing mechanism to provide both access and affordability for children in low-income families to those early care and education settings demonstrating a commitment to improving and maintaining quality. Funding will support programming for those children who may not otherwise have access to high quality early care and education during the years prior to their kindergarten entry.

Inherent in this strategy is the principle that all children, regardless of family income, or other factors, should have access to a high quality early childhood program if their family desires. Ensuring that all children have such access requires the use of a "mixed delivery" system of high quality early care and education that includes a wide array of program types, such as public school and Bureau of Indian Affairs programs as well as private, for-profit, non-profit, Head Start and faith based programs. By implementing a mixed service delivery system, families whose children need part day, full day, school based, center based or home based services which promote early learning can find and participate in those programs. Full-time and part-time options are available to best meet the needs of the families and children. With multiple options, families with infants, toddlers and preschoolers targeted in this strategy can access services at a single location. Spreading investments across a variety of early childhood education program types also improves the stability of funding through higher enrollment numbers that, in turn, support quality improvement and quality maintenance for participating partners.² Therefore, this strategy includes methods by which high quality early care and education programs work collaboratively to provide services to young children in various settings in the community.

Quality First Scholarships

Child Care Scholarships are a component of Quality First (full participation and rating only). Programs enrolled in Quality First receive Quality First Scholarships based on the size and Quality First rating. (There are some exceptions when scholarships are not funded as a component of Quality First, such as programs in which all children attend a program free of charge.) Child care scholarships benefit children, families, early care and education providers and communities. These scholarships will support the full or partial cost of care for children birth to five years old to receive high quality, early care and education in a center or family child care based setting.

Quality First scholarships can be funded above and beyond what is included in Quality First participation. These additional scholarships will be awarded to programs based on Quality First rating, with the highest rated programs receiving additional scholarships first.

Regional Partnership Councils may identify targets for the additional scholarships. Additional scholarships targeted to a particular zip code, age of child, and/or teen parent will be awarded as specified by the target identified by the Regional Partnership Council.

² Schulman, K. & Blank, H. (2007). A Center Piece of the PreK Puzzle: Providing State Prekindergarten in Child Care Centers. National Women's Law Center.

Additional Scholarships targeted to pre-kindergarten aged children will be distributed among programs that have achieved a Quality First rating of 3, 4 or 5 by April 1st. These targeted scholarships can be further targeted to a specific zip code. Both center-based and family child care home based programs that have achieved a Quality First rating of 3, 4 or 5 (must have CLASS Pre-K assessment) are eligible to apply for these targeted scholarships.

Benefits to Young Children

Access to quality early care and education programs can result in social, developmental and health benefits to young children that help to prepare them for later success in school and in life. Quality early care experiences in stable out-of-home settings help young children develop strong attachments to caregivers and teachers, in addition to their parents. These attachments set the stage for future relationships throughout a child's life. Scholarships support continuity of care for children so that previously formed supportive relationships with caregivers can remain in place. Research shows that children thrive in the care of familiar, skilled caregivers who play a significant role in their lives and on whom they count for consistency, feelings of security, belonging and love. Continuity of care is particularly important for infants and toddlers, as they are in the developmental stages of building basic trust and a sense of self.³ Disruptions in care, particularly those that are abrupt and result from changes in child care settings or caregivers, are minimized with the use of Quality First Scholarships. By connecting child care scholarships to quality settings, children receive the cognitive and social supports they need and that have been shown to be the determinants of future success.

High quality early care and education is demonstrated by such indicators as a safe and healthy environment, well-qualified and experienced staff, a developmentally and culturally appropriate environment that is child centered and promotes learning, low staff to child ratios combined with limited group sizes, meaningful family engagement and a clear and well-implemented plan for transition from pre-kindergarten to kindergarten programs. Adherence to these quality standards is defined in Arizona's early care and education system as achieving a Quality First rating of 3, 4 or 5. These Quality First standards were developed to align to the state's *Program Guidelines for High Quality Early Education: Birth Through Kindergarten*⁴. Incorporated into the Quality First standards are requirements for understanding and using the state's *Infant Toddler Developmental Guidelines*⁵ (for children birth – age 3) and *Early Learning Standards* (for children age 3 -5 years)⁶.

Because of the robust research that indicates high quality early learning experiences lead to positive child outcomes in learning and development, First Things First intends to direct scholarships to the highest quality programs. By state fiscal year 2016, only programs that have achieved a Quality First rating of 3, 4 or 5 will be eligible for Quality First Scholarships.

Benefits to Families

The high cost of early care and education is one of the most difficult obstacles in obtaining and maintaining employment for many low-income families. Particularly vulnerable families, such as single parents, teen parents, grandparent caregivers and families with incomes less than 200% of the Federal Poverty Guidelines (FPL), find quality early care and education beyond the reach of their limited budgets. Quality child care is costly due to factors such as low staff to child ratios, small group sizes, employment of experienced professionals with early education degrees, higher wages to compensate staff for education and experience, and early learning environments and curricula designed to maximize the social and developmental needs of children.

³ Lally, J. R. & Signer, S. M. Introduction to Continuity. *WestEd, The Program for Infant/Toddler Care*. Available at: http://www.pitc.org/cs/pitc/lib/download/pitc_res/360/Introduction%20to%20Continuity.pdf?x-r=pcfile_d

⁴ Developmental Guidelines for High Quality Early Education: *Birth Through Kindergarten*. (2010) Arizona Department of Education and First Things First.

⁵ Infant Toddler Developmental Guidelines (2013)
http://www.azed.gov/earlychildhood/files/2012/10/az_infant_toddler_guidelines_complete-2.pdf

⁶ Arizona Early Learning Standards, 3rd Edition (2013)
<http://www.azed.gov/early-childhood/files/2011/11/arizona-early-learning-standards-3rd-edition.pdf>

Families who have an annual income of 200% or less of FPL are eligible to receive Quality First scholarships. Families receive the scholarships through the early care and education program that they have selected for their family. Applications available at the early care and education site allow families convenient access to participate in the scholarship program.

Benefits to the Early Care and Education Provider

Dramatic decreases in enrollment, increasing costs, and decreased state funded child care subsidy have resulted in severe financial pressures experienced by child care providers in both center- and family child care home-based settings. Quality First Scholarships offer a reliable revenue source that contributes to the financial stability of regulated providers.

With improved financial stability, early care and education programs have the increased ability to retain staff, which contributes to the stability of the environment and quality of care to enrolled children.

Benefits to Communities

Early care and education providers serve an important function in communities throughout Arizona. Not only do they provide a safe, nurturing and educational environment for young children, they also play a pivotal role in supporting working parents. Quality First Scholarships support the healthy development and learning of young children, keep families in the workforce, and support the services provided by the early childhood field – all factors that contribute to the economic viability of communities all across Arizona.

A. Implementation Standards

1. Target Scholarship Numbers

The target number of scholarships available to any one Quality First provider is based on the program's Quality First rating and the licensed capacity of child care slots for children 5 and younger. Quality First scholarships are awarded to the provider and stay with the provider throughout the fiscal year.*

*Teen Parent Scholarships and Navajo Nation off Reservation Scholarships are awarded directly to the family. The family will choose the early care and education provider where they would like to use the scholarship. These scholarships follow the family and are in addition to the target number of slots a program is awarded.

The number and amount of the scholarships increase as the Quality First rating increases. The numbers below indicate full time, full year slots. A program can split one full time slot into two part-time slots to meet the needs of the families they serve as long as together they do not exceed the hourly equivalent of one scholarship.

Quality First "Base" Model Slots

	<u>Large</u> 150+	<u>Medium</u> 51 - 150	<u>Small</u> 1 - 50	<u>Home</u> 1 - 10
2 Star	9	6	4	1
3 Star	12	9	6	2
4 Star	15	11	8	3
5 Star	17	12	9	4

Additional scholarships can be no more than double the target amounts per provider rating and size and must be funded by the Regional Council. Exceptions may be allowed to award additional scholarships beyond double the base model slots. Regional Councils will discuss considerations for funding more than double the base and include rationale in the Operational Notes that are presented to the First Things First Board. First Things First may make adjustments to the Quality First Scholarship Numbers table as funding and scholarship use fluctuates.

Continuity of Care

Quality First Scholarships are designed to minimize disruptions in care and avoid unnecessary transitions on and off scholarships. Scholarship usage data will be analyzed monthly to ensure that each and every scholarship can be utilized by eligible families. Slot awards from one year to the next will be considered in the context of how many scholarships were used throughout the year by a program to ensure that as many families as possible can maintain their scholarship(s). Accurate monthly analysis will ensure that children and families do not receive and then lose scholarships suddenly, or that early care and education providers receive intermittent support that is not a reliable foundation upon which to build quality programming.

Mixed Service Delivery

Quality First Scholarships are not intended to comprise the sole or majority funding source for any participating provider. It is the intent of First Things First that programs have diversified funding to sustain operations. Diversified funding is essential to ensuring the long term sustainability of quality programs for young children. Examples of how funding may be braided include, but are not limited to combining Quality First Scholarship funds with:

- a. IDEA Part B funding
- b. Title I targeted to support preschool programming
- c. Tribal or Migrant funds
- d. Child and Adult Food Care Program (CACFP)
- e. Transportation costs
- f. Family co-payments (not to exceed 10% of family income)
- g. Private pay families
- h. Other state, tribal, school district or federal dollars or in-kind targeted to support preschool programming
- i. Donations or grants for preschool programming

Quality First Scholarships cannot supplant any currently existing funding that is being used to operate the program.

2. Quality First Scholarship Rates

In order to support quality services and to provide reliable funding for participating providers the rates for Quality First Scholarships have been based upon the Cost of Quality Study conducted by First Things First in 2010.

- a. Rates are paid for each scholarship no matter what the program charges. The rates are paid in order to assist in the maintenance of quality services for the child and their family.
- b. Providers serving families with needs outside of traditional hours will receive the same scholarship rates as those with traditional hours, with adjustments made to daily rates based on traditional care equivalents (example: a parent working three 12 hour days will benefit from a full scholarship just as a parent working five, 8 hour days).

Annual Quality First Scholarship Reimbursement Rates

Center		1 Star	2 Star	3 – 5 Stars
	0 – 36 months	\$ -	\$ 7,969.00	\$ 11,300.00
	37 – 72 months	\$ -	\$ 6,000.00	\$ 7,300.00

Family Child Care Home		1 Star	2 Star	3 – 5 Stars
	0 – 36 months	\$ -	\$ 5,625.00	\$ 7,600.00
	37 – 72 months	\$ -	\$ 4,875.00	\$ 6,200.00

The rates above represent the annual reimbursement for full time, full year (12 months) service. First Things First recognizes that some families require part-time or part-year services for their children. Reimbursement rates will be calculated for part time and/or part year service:

- part- time rate is 50% of the full time rate indicated above
- part year rate is calculated using the rate above divided by 12 months and multiplied by the total number of months the child attends

Full day/full time services for children are defined as a minimum of 28 hours per week.

Part day/part time services are defined as less than 28 hours per week, but a program must serve children for a minimum of 3 hours per day and total no less than 12 hours per week and no less than 3 days per week.

Child Care Provider Scholarship Eligibility

First Things First determines the quality of an early care and education provider through Quality First, Arizona's quality improvement and rating system. The standards in Quality First are evidence-based and included in nationally developed and recognized assessment instruments which measure indicators of quality, such as the quality of the environment (safe, healthy, child centered, access to a variety of materials, developmentally and culturally appropriate), the quality of the interactions in the environment (social/emotional interactions, classroom management interactions, and instructional interactions) and the quality of the program practices (well-qualified and experienced staff, low staff to child ratios to promote individualized attention, limited group sizes based upon children's ages, intentionally planned curriculum that aligns with the Arizona Early Learning Standards and the Infant Toddler Developmental Guidelines, ongoing child assessment that informs daily activities and meaningful family involvement). Quality in this system is defined as the attainment of a Quality Rating of 3, 4 or 5.

Quality First Scholarships improve both access and affordability to high quality early care and education. Quality Assurance monitoring will be conducted to verify that an early care and education program meets the following eligibility criteria to receive Quality First scholarships:

- Is enrolled in Quality First and does not decline an opportunity to participate.
- After July 1, 2014, programs not enrolled or enrolled with a Quality First rating of 1 will not qualify to receive Quality First scholarships. Programs that are newly enrolled after July 1, 2013 who achieve a Quality First rating of 1 will not be eligible for Quality First Scholarships.
- After July 1, 2015, programs not enrolled or enrolled with a Quality First rating of 1 or 2 will not qualify to receive Quality First scholarships. Programs that are newly enrolled after July 1, 2014 who achieve a Quality First rating of 1 or 2 will not be eligible for Quality First Scholarships.

Program services must be provided for a minimum of 9 months per year.

Additional Requirements for Quality First Scholarships Targeted to Pre-Kindergarten Aged Children

- a. Has achieved a Quality First Rating of 3, 4 or 5 by April 1st.
- b. Programs must be located within the Region funding the scholarships; exceptions may be made when there is mutual agreement between a First Things First Regional Council that agrees to pay for scholarships in another Region.

4. Child and Family Eligibility

Quality First Scholarships improve access and affordability to high quality early education programs for children in low-income families. Living in families that may be struggling to survive, children are particularly vulnerable to insecurity in food, housing and other basic need areas. These challenges, in turn, can negatively affect a young child's development. Enriched early learning environments can help to overcome these challenges.⁷ The following guidelines apply:

- a. Eligibility for Quality First Scholarships is limited to children ages 5 and younger by September 1st of the program year and not yet in kindergarten and; 3 – 5 years of age as of September 1st of the program year for Quality First Scholarships targeted to Pre-Kindergarten aged children.
- b. Low income is defined by a family earning 200% of Federal Poverty Level or below. Financial eligibility is determined on an annual basis by the Quality First provider and maintained on site for at least two years.
 - a. Eligibility for Teen scholarships is determined by the Teen Parent program who notifies the scholarship grantee.
 - b. Eligibility for the Navajo Nation Off Reservation Scholarships is determined by the scholarship grantee.
- c. Documentation of family income includes one of the following:
 - i. Tax records (most current federal Individual Tax Form 1040, Form 1099, or W2) of the parent/legal guardian that claims the child as a dependent.
 - ii. Current pay stubs
 - iii. Written, notarized statement from employer
 - iv. Documentation of current receipt of unemployment insurance
 - v. Documentation of receipt of public assistance such as KidsCare, Food Stamps, Free and Reduced Lunch Program
 - vi. For those who are self-employed, at least one of the tax forms is required.
 - vii. Families who are experiencing homelessness or are residing in a shelter must provide a written affidavit as documentation of such.
- c. Proof of the child's legal residency must be documented and maintained on file with the Quality First program.
- d. Quality First Scholarships are limited to two (2) per family.
- e. Children may not be receiving duplicate programming through other funding available from State, Federal or Tribal sources such as: Department of Economic Security (DES) child care subsidy, Title I, Special Education Programs, or Head Start. Children eligible for these resources but who are currently on waiting lists for these programs are eligible to participate
- f. Scholarships are child-focused and, thus, are available without regard to the circumstances under which families require care.

3. Inclusion of Children with Special Needs

Children with special needs are defined here as children with an Individualized Education Program (IEP), Individualized Family Service Plan (IFSP), or other professionally diagnosed educational disability; or a child with a 504 plan or individual health plan (IHP), or 504 Plan by a medical professional. Early childhood

⁷ Heckman, J.J. (2008). James J. Heckman, 2008. The Case for Investing in Disadvantaged Young Children. [CESifo DICE Report](http://www.cesifo-group.de/portal/pls/portal/docs/1/1192974.PDF), Institute for Economic Research at the University of Munich, vol. 6(2), pages 3-8. Available at: <http://www.cesifo-group.de/portal/pls/portal/docs/1/1192974.PDF>

inclusion in high quality early care and education programs focuses on access, participation and supports for all children. Inclusion embodies the values, policies, and practices that support every child and his or her family, regardless of ability, to participate in a broad range of activities and context as full members of society.⁸

10. Children's Attendance

Attendance policies must support consistency and ongoing participation. Programs must create and implement policies to determine when follow up on non-attendance is required, and the grantee will implement policies indicating when families may lose the scholarship due to children's non-attendance. These policies must be in writing and given to the families at time of enrollment.

The Quality First Scholarship Contract with the provider and the Quality First Scholarship Family Application will indicate that an 85% attendance rate is expected based on the times that the child is enrolled. The provider will agree to discuss this policy with families receiving scholarships and how this policy relates to what is expected as their child continues throughout the education system. The family will understand that their attendance may affect their scholarship.

If a program determines that a scholarship will be taken away from a family for their child's lack of attendance, the programs must document the times that the attendance policy discussions have taken place with the family and the child's actual attendance. Vacancies must be filled within 30 days.

After 60 days of vacancy for a scholarship (based on program monthly reporting) the scholarships will be removed from the Quality First program and reallocated to another program in the region for the remainder of the fiscal year.

11. Copayments

It is the intent of First Things First that families, whenever possible, contribute toward the cost of child care and that this contribution not exceed 10% of their gross household income.

B. Staff Qualifications, Supervision and Professional Development Standards of Administrative Home

1. Staff Qualifications

Administrative home programmatic and finance staff demonstrate knowledge and experience managing large dollar grants and the complexities of implementing contracts, fiscal reimbursements, and compliance across program recipient sites. Staff should demonstrate an understanding of early care and education from the perspective of children, families and providers. Typically, individuals with advanced academic degrees possess these attributes.

2. Supervision

Effective, consistent supervision ensures accountability to participants, funders and the community.

3. Professional Development

Professional development plans ensure that staff members continue to build their skills and abilities to ensure program quality.

C. Organizational Standards of Administrative Home

1. Continuous Improvement

⁸ Watson, Amy & McCathren, Rebecca (2009). Including Children with Special Needs. *Young Children*. Volume 64: 1-7.

In order to ensure maximum program effectiveness, the administrative home engages in ongoing improvement of the quality of services and processes and is responsive to lessons learned over time.

2. Marketing and Public Awareness

To increase recognition of First Things First funded strategies, the administrative home engages in public awareness activities in coordination with the First Things First Communications Department and use of the First Things First Style Guide. It maintains a reporting portal which allows Quality First participants to enroll/contract in the scholarship program and report scholarship usage online.

3. Organizational Capacity

- a. Quality First Scholarships are implemented statewide in regions that fund Quality First.
- b. Varying types and sizes of community-based early care and education providers receive Quality First Scholarships including family child care providers, non-profit providers, for-profit providers, and other early care and education providers. Some providers will require support in languages other than English.
- c. The administrative home must have the business capacity to:
 - respond to provider and public inquiries,
 - develop individual binding agreements with Quality First providers,
 - issue a federal form 1099 to each provider and require documentation of all information related to family eligibility, provider reporting, scholarship amounts, and reimbursement requests, and
 - assure accountability through mechanisms such as random and planned audits on a minimum of 10% of contracted providers throughout the contract year.

D. Cultural Competency Standards

Programs will also implement the following best practices and standards related to Cultural Competencies:

- To address cultural competency objectives, early childhood practitioners /early childhood service providers shall ensure that children and families receive from all staff members and program participants effective, understandable, and respectful care that is provided in a culturally competent manner. Early childhood practitioners /early childhood service providers should ensure that staff and participants at all levels and across all disciplines receive ongoing education and training in culturally and linguistically appropriate service delivery. Early childhood practitioners/early childhood service providers should develop participatory, collaborative partnerships with communities and utilize a variety of formal and informal mechanisms to facilitate community and family-centered involvement to ensure that services are delivered in a manner that is consistent with the National Standards on Culturally and Linguistically Appropriate Services and/or the National Recommendations on Cultural and Linguistic Competence for the National Association for the Education of Young Children.”
<http://minorityhealth.hhs.gov/templates/browse.aspx?lvl=2&lvlID=15>
<http://www.naeyc.org/positionstatements/linguistic>
- Service providers should understand individual Tribes/Nations are distinct and separate communities from other Tribes/Nations and their governmental systems and structures are not reflective of each other. Services to Tribal communities and on reservations must be provided in a manner compatible with the Tribe's/Nation's cultural beliefs and practices, to include the preferred language of the community. Services must also be provided in accordance with the Tribe's/Nation's laws, policies and procedures. The effectiveness of services is directly related to the provider's consideration of the beliefs, customs and laws of the Tribe/Nation.
- Service providers can obtain information about providing services on tribal lands from a variety of sources. These include the FTF Regional Director, Regional Council members, tribal websites and

publications, as well as official representatives of the Tribe/Nation such as the governing body, standing committees and authorized departments.

- It is highly recommended that service providers seek guidance from one or more of these sources before initiating services on reservations. Failure to do so could result in contraventions of cultural beliefs, Tribal laws or sovereignty.
- The ideal applicant will demonstrate their ability to operate within these parameters through prior experience working with Tribes/Nations, demonstrating that staff are culturally competent, partnerships with agencies serving Native American families, knowledge of cultural beliefs, customs and laws of the Tribe/Nation or a combination of these elements.
- Related to data collection, evaluation or research activities:
 - In the United States, Native American Tribes are considered autonomous nations with all of the rights and responsibilities of a nation. Understanding this, Native American Tribes are charged with protecting the health and safety of their people. To this end, Tribes have full ownership over any data collected within their reservation boundaries. This means that Tribes can allow or not allow any program to collect data from or related to any early childhood development and health program or activities on the reservation.

Any grantee implementing programs in tribal communities must have official tribal permission to collect and utilize sensitive data from or related to any early childhood development and health program or activities.

Exhibit D

Quality First Scholarships “Base” Model Slots

	<u>Large</u> 150+	<u>Medium</u> 51 - 150	<u>Small</u> 1 - 50	<u>Home</u> 1 - 10
2 Star	9	6	4	1
3 Star	12	9	6	2
4 Star	15	11	8	3
5 Star	17	12	9	4

This table includes the target number of scholarships a Quality First provider will be awarded. Numbers may vary up or down depending on final Quality First ratings as of April 1, 2014 in each region.

Exhibit E

Quality First Scholarship Reimbursement Rates

Annual Quality First Scholarship Reimbursement Rates

Center		1 Star	2 Star	3 – 5 Stars
	0 – 36 months	\$ -	\$ 7,969.00	\$ 11,300.00
	37 – 72 months	\$ -	\$ 6,000.00	\$ 7,300.00

Family Child Care Home		1 Star	2 Star	3 – 5 Stars
	0 – 36 months	\$ -	\$ 5,625.00	\$ 7,600.00
	37 – 72 months	\$ -	\$ 4,875.00	\$ 6,200.00

Exhibit F

Quality First Scholarships Implementation Guide

Quality First Scholarships

Inherent in this strategy is the principle that all children, regardless of family income, or other factors, should have access to a high quality early childhood program if their family desires. Ensuring that all children have such access requires the use of a “mixed delivery” system of high quality early care and education that includes a wide array of program types, such as public school and Bureau of Indian Affairs programs as well as private, for-profit, non-profit, Head Start and faith based programs. By implementing a mixed service delivery system, families whose children need part day, full day, school based, center based or home based services which promote early learning can find and participate in those programs.

Quality First Scholarships are awarded only to programs enrolled in Quality First. Programs that are on the wait list or not participating in Quality First are not eligible to receive Quality First Scholarships.

Quality First participation can be funded by regions in the following manner:

- Full Participation
 - With scholarships
 - Without scholarships (only for programs that have financial supports in place that fund tuition such as Head Start, IDEA, Title I, Tribal, etc.)
- Rating Only Participation
 - With scholarships
 - Without scholarships (only for programs that have financial supports in place that fund tuition such as Head Start, IDEA, Title I, Tribal, etc.)

Quality First Scholarships will only be awarded to programs with a Quality First Rating of 3 – 5 as the timeline below indicates:

- July 1, 2014
 - QF programs at the 2, 3, 4 and 5 star levels will be eligible for scholarships.
 - QF Pre-K scholarships will still only be awarded to programs at 3, 4 or 5 star levels
- July 1, 2015
 - QF programs at the 3, 4 and 5 star levels will be eligible for scholarships.

Scholarship Types

1. Quality First “Base” Scholarships

Every Full Participation and Rating Only Quality First provider receives a base number of scholarships each year they maintain their enrollment in Quality First.

The “base” scholarships are determined as of April 1st each year for the following fiscal year and consider two criteria:

- program size – the maximum number of children 0 – 5 (not in kindergarten) that a program is allowed by their regulatory agency (DHS, DES, Tribal)
- star rating – the official or estimated star rating of a program is used to determine the “base” number
 - official star rating is used when a program has completed all assessments necessary to calculate a star rating by April 1st.
 - estimated star rating is used when the program has met the 3 star or higher for ERS and CLASS and is awaiting the Quality First Points Scale assessment on April 1st.

	<u>Large</u>	<u>Medium</u>	<u>Small</u>	<u>Home</u>
<u>Quality First “Base” Scholarships</u>				
2 Star	9	6	4	1
3 Star	12	9	6	2
4 Star	15	11	8	3
5 Star	17	12	9	4

2. Quality First Additional Scholarships

Regional councils can fund more scholarships than are required in the Quality First “base” model. The largest amount of scholarships that any one Quality First program can receive is double the Quality First “base.”

Quality First Additional scholarships can be targeted in any of the following ways:

- Unrestricted (no targeted population)
- Zip Code
- Age band
 - infant/toddler 0 – 3 years of age
 - preschool 3 – 5 years of age
- Scholarships paid for/by other regions (if funding a Quality First Slot in that other region)
- Teen parents (parents who are under the age of 20)
- Navajo Nation Off Reservation (parents who are temporarily living off the reservation to attend college)

If a Regional Council funds additional targeted scholarships, the target will be considered a criteria for any program to be allocated the scholarships. The criteria may become a priority if the number of targeted scholarships are not able to be used by eligible programs meeting the target.

- Criteria – programs must meet the target to be allocated scholarships.
- Priority – programs who meet the target are prioritized, but if there are scholarships left after the prioritized programs receive scholarships other programs who don't meet the target can be allocated these scholarships.

There may be additional scholarships even if the region did not fund additional scholarships. FTF developed a progression analysis (same progression statewide) that is used to estimate the progress in star rating programs would make over the course of the fiscal year. The analysis was purposefully aggressive to ensure enough scholarships would be available. When the star rating progression estimate at funding plan time does not match the actual progression within a region, additional scholarships will be the result. These additional scholarships will be awarded to providers as unrestricted.

Allocating Quality First Scholarships

Each program that is awarded scholarships will receive one award letter indicating the total number of scholarships they have been allocated for the coming fiscal year. Before award letters are finalized and sent, allocations are determined for each program in the following manner:

1. Quality First “Base” Scholarships

The first scholarships to be allocated are the Quality First “base” scholarships. Each program enrolled in Full Participation and Rating Only Quality First funded with scholarships will be awarded the “base” number of scholarships as determined by their program size and star rating.

2. Quality First Additional Scholarships

The second type of scholarships to be allocated are the Quality First additional scholarships. Each type of additional scholarship is allocated in a distinct manner.

- Unrestricted
 - Continuity of Care - Programs that used more than the Quality First “base” in the previous fiscal year will be prioritized to receive more than the “base” in order to ensure as much continuity of scholarships for children from one fiscal year to the next. The number of scholarships used in the last fiscal year will be determined by the average of most current usage.
 - If programs used more scholarships than what is available, distribution will be based on allocating a certain percentage of what the program was using in the last fiscal year. This is an equitable process to ensure that all programs using scholarships above the base model maintain a certain percentage.
 - If 100% of continuity of care was met for everyone in the region and there are still more scholarships available, star rating is considered.
 - Star rating - Programs that have the highest star rating will be allocated scholarships above the “base” model. Programs will be contacted to ensure that they have enough vacancies/current eligible families in their program to accommodate the additional scholarships.
- Zip Code – only programs within the identified zip code will be allocated Quality First Additional scholarships that are targeted to a specific zip code.
 - Continuity of Care is prioritized first.

- Star Rating is prioritized second.
- Age band –
 - 0 – 3 year olds will be distributed in the same way that zip code is distributed.
 - 3 – 5 year olds
 - these scholarships are allocated to programs with a star rating of 3, 4, or 5, prioritizing the highest star rated programs first.
- Scholarships paid for/by other regions
 - Continuity of Care is prioritized first.
 - Star Rating is prioritized second.
- Teen parents (parents who are under the age of 20) – these scholarships are awarded to the family and the family will choose the program that best meets their need. These scholarships can only be used at programs that are participating in Quality First. Double the “base” does not apply if the family chooses a program that is already at double the “base.”
- Navajo Nation Off Reservation (parents who are temporarily living off the reservation to attend college) – these scholarships are awarded to the family and the family will choose the program that best meets their need. These scholarships can only be used at programs that are participating in Quality First. Double the “base” does not apply if the family chooses a program that is already at double the “base.”

Reallocation of Unused Scholarships

Programs that do not report the usage of scholarships for 60 consecutive days will lose the scholarships for the remainder of the fiscal year. Upon the new fiscal year, they will be awarded the “base” amount as determined by their program size and star rating. These “reclaimed” scholarships will be reallocated to programs in the region. Reallocated scholarships will last only through the end of the fiscal year (i.e. short term) and will be counted in the average usage for determining scholarships in the following fiscal year and considered in the continuity of care. Families and providers receiving these short term reallocated scholarships will sign a letter acknowledging the end date of the scholarship.

Reallocation will occur after quarter 1 and quarter 2.

1. Quality First “base” scholarships that are reclaimed will be reallocated by highest star rating.
 - Programs with the highest star ratings will be offered the reallocated scholarships first until all unused scholarships are reallocated.
 - Programs who have increased their star rating between April 1st and the reallocation timeline will receive reallocated slots based on their increased star rating.

Exhibit G**Quality First Scholarship Allotment by Region**

Quality First Scholarship Program – Direct Scholarship Dollars		Total Available: \$52,901,040
Quality First Scholarship Program – Administration Dollars		Total Available: \$700,723
Cochise Regional Partnership Council		
Number of Funded Scholarship Sites • 22 centers / 21 homes	Estimated Number of Scholarships • Approximately 283	Scholarship Funds \$ 2,295,928
Coconino Regional Partnership Council		
Number of Funded Scholarship Sites • 18 centers / 8 homes	Estimated Number of Scholarships • Approximately 127	Scholarship Funds \$ 937,601
Colorado River Indian Tribes Regional Partnership Council		
Number of Funded Scholarship Sites • 1 centers / 1 homes	Estimated Number of Scholarships • Approximately 20	Scholarship Funds \$ 178,489
East Maricopa Regional Partnership Council		
Number of Funded Scholarship Sites • 67 centers / 3 homes	Estimated Number of Scholarships • Approximately 581	Scholarship Funds \$ 4,566,468
Gila Regional Partnership Council		
Number of Funded Scholarship Sites • 6 centers / 3 homes	Estimated Number of Scholarships • Approximately 42	Scholarship Funds \$ 308,490
Gila River Indian Community Regional Partnership Council		
Number of Funded Scholarship Sites • 3 centers / 0 homes	Estimated Number of Scholarships • Approximately 57	Scholarship Funds \$ 457,098
Graham/Greenlee Regional Partnership Council		
Number of Funded Scholarship Sites • 5 centers / 3 homes	Estimated Number of Scholarships • Approximately 61	Scholarship Funds \$ 477,337
La Paz/Mohave Regional Partnership Council		
Number of Funded Scholarship Sites • 9 centers / 1 home	Estimated Number of Scholarships • Approximately 260	Scholarship Funds \$ 1,936,431

Navajo Nation Regional Partnership Council		
Number of Funded Scholarship Sites • 6 centers / 0 homes	Estimated Number of Scholarships • Approximately 184	Scholarship Funds \$ 1,471,033
Navajo Apache Regional Partnership Council		
Number of Funded Scholarship Sites • 3 centers / 1 home	Estimated Number of Scholarships • Approximately 36	Scholarship Funds \$ 277,954
Northwest Maricopa Regional Partnership Council		
Number of Funded Scholarship Sites • 58 centers / 10 homes	Estimated Number of Scholarships • Approximately 969	Scholarship Funds \$ 7,597,310
Phoenix North Regional Partnership Council		
Number of Funded Scholarship Sites • 119 center / 8 homes	Estimated Number of Scholarships • Approximately 849	Scholarship Funds \$ 6,637,518
Phoenix South Regional Partnership Council		
Number of Funded Scholarship Sites • 82 centers / 25 homes	Estimated Number of Scholarships • Approximately 586	Scholarship Funds \$ 4,623,574
Pima North Regional Partnership Council		
Number of Funded Scholarship Sites • 95 centers / 29 homes	Estimated Number of Scholarships • Approximately 750	Scholarship Funds \$ 5,982,041
Pima South Regional Partnership Council		
Number of Funded Scholarship Sites • 28 centers / 42 homes	Estimated Number of Scholarships • Approximately 276	Scholarship Funds \$ 2,039,075
Pascua Yaqui Tribe Regional Partnership Council		
Number of Funded Scholarship Sites • 0 centers / 2 homes	Estimated Number of Scholarships • Approximately 8	Scholarship Funds \$ 70,612
Pinal Regional Partnership Council		
Number of Funded Scholarship Sites • 36 centers / 11 homes	Estimated Number of Scholarships • Approximately 389	Scholarship Funds \$ 3,064,853
Santa Cruz Regional Partnership Council		
Number of Funded Scholarship Sites • 3 centers / 4 homes	Estimated Number of Scholarships • Approximately 30	Scholarship Funds \$ 209,225

Southeast Maricopa Regional Partnership Council		
Number of Funded Scholarship Sites • 44 centers / 9 homes	Estimated Number of Scholarships • Approximately 616	Scholarship Funds \$ 4,681,272
Southwest Maricopa Regional Partnership Council		
Number of Funded Scholarship Sites • 20 centers / 4 homes	Estimated Number of Scholarships • Approximately 184	Scholarship Funds \$ 1,481,205
White Mountain Apache Tribe Regional Partnership Council		
Number of Funded Scholarship Sites • 2 centers / 0 homes	Estimated Number of Scholarships • Approximately 22	Scholarship Funds \$ 180,789
Yavapai Regional Partnership Council		
Number of Funded Scholarship Sites • 33 centers / 4 homes	Estimated Number of Scholarships • Approximately 248	Scholarship Funds \$ 1,878,629
Yuma Regional Partnership Council		
Number of Funded Scholarship Sites • 19 centers / 20 homes	Estimated Number of Scholarships • Approximately 369	Scholarship Funds \$ 2,764,831

Exhibit H

Standard Terms Defined

As used in these Instructions, Special Terms and Conditions and Uniform Terms and Conditions, the terms listed below are defined as follows:

1. *"Application"* means bid, proposal, quotation or what is submitted in response to an RFGA.
2. *"Applicant"* means a person who responds to a RFGA.
3. *"Attachment"* means any item the RFGA that requires an Applicant to submit as part of the Application.
4. *"Contract"* means the combination of the RFGA, including the Instructions to Applicants, The Uniform and Special Terms and Conditions, and the Specifications and Statement of Scope of Work; the Application and any Application Clarifications; and any RFGA Amendments or Contract Amendments.
5. *"Contract Amendment"* means a written document signed by the Fiscal and Contracts Specialist that is issued for making changes in the Contract.
6. *"Days"* means calendar days unless otherwise specified.
7. *"Exhibit"* means any item labeled as an Exhibit in the RFGA or placed in the Exhibits section of the RFGA. Exhibits are typically resource materials.
8. *"Grantee"* means any Applicant whose Application has been accepted and has been awarded a Grant with First Things First.
9. *"Fiscal and Contracts Specialist"* means the person, or his or her designee, duly authorized by First Things First to enter into and administer Contracts and make written determinations with respect to the Contract.
10. *"May"* indicates something that is not mandatory but permissible
11. *"RFGA"* means an a Request for Grant Application
12. *"RFGA Amendment"* means a written document that is signed by the Fiscal and Contracts Specialist and issued for making changes to the RFGA.
13. *"Shall, Must"* indicates a mandatory requirement. Failure to meet these mandatory requirements may result in the rejection of an offer.
14. *"Should"* indicates something that is recommended but not mandatory. If the Applicant fails to provide recommended information, the State will evaluate the offer without the information but reserves the right to clarify the recommended information.
15. *"State"* means the State of Arizona, Early Childhood Development and Health Board also known as First Things First who executes the Contract.
16. *"State Fiscal Year"* means the period beginning with July 1 and ending June 30.
17. *"Subcontract"* means any Contract, express or implied, between the Grantee and another party delegating or assigning, in whole or in part, the furnishing of any service required for the performance of the Contract.

Exhibit I

Sample Certificate of Insurance

Prior to commencing services under this contract, the Grantee must furnish the state certification from insurer(s) for coverages in the minimum amounts as stated below. The coverages shall be maintained in full force and effect during the term of this contract and shall not serve to limit any liabilities or any other Grantee obligations.

Name and Address of Insurance Agency:		Company Letter:	Companies Affording Coverage:		
		A			
		B			
Name and Address of Insured:		C			
		D			
LIMITS OF LIABILITY MINIMUM - EACH OCCURRENCE		COMPANY LETTER	TYPE OF INSURANCE	POLICY NUMBER	DATE POLICY EXPIRES
Bodily Injury Per Person Each Occurrence Property Damage OR Bodily Injury and Property Damage Combined			Comprehensive General Liability Form Premises Operations Contractual Independent Contractors Products/Completed Operations Hazard Personal Injury Broad Form Property Damage Explosion & Collapse (If Applicable) Underground Hazard (If Applicable)		
Same as Above			Comprehensive Auto Liability Including Non-Owned (If Applicable)		
Necessary if underlying is not above minimum			Umbrella Liability		
Statutory Limits			Workmen's Compensation and Employer's Liability		
			Other		

State of Arizona and the Department named above are added as additional insureds as required by statute, contract, purchase order, or otherwise requested. It is agreed that any insurance available to the named insured shall be primary of other sources that may be available.

It is further agreed that no policy shall expire, be canceled or materially changed to affect the coverage available to the state without thirty- (30) days written notice to the State. This Certificate is not valid unless countersigned by an authorized representative of the insurance company.

Name and Address of Certificate Holder:

Date Issued: _____

Authorized Representative: _____

Exhibit J

Target Service Unit Guidance Document

Definitions:

Unit of Service and related Target Service Number

A Unit of Service is a FTF designated indicator of performance specific to each FTF strategy. It is composed of a unit of measure and a number (Target Service Number).

A Unit of Measure/Service can be a target population and/or a service/product that a grantee is expected to serve as part of an agreement. Target Service Number represents the number of units (e.g. target population) proposed to be served or number of products/services proposed to be delivered during the contract year.

For example, for the FTF strategy Home Visitation the FTF Unit of Service is “number of families served” and a Target Service Number of 50 represents the number of families the program proposes to serve during the contract period. All FTF applicants must clearly state in the proposal a target service number for each strategy specific Unit of Service.

For **Quality First Scholarships**, the unit of service is:

Number of scholarship slots for children 0-5yrs

Determining and Interpreting Target Service Numbers

Number of scholarship slots for children 0-5yrs should reflect the total number of scholarships slots projected to be occupied by children 0-5yrs receiving scholarship for one grant contract period (in most cases, one year).

Performance Measures

Performance Measures measure (1) key indicators of performance (i.e. Unit of Service); (2) basic implementation of strategy; (3) alignment of program activities to strategy specific standards of practice, (4) performance or progress toward pre-established strategic goals. Performance measures may include the level or type of program activities conducted (e.g. serving families/children through home visits) and/or the direct services and products delivered by a program (e.g. providing scholarships).

For **Quality First Scholarships**, performance measures are:

Number of scholarship slots for children 0-5yrs/proposed service number

Number of early care and education providers offering scholarships

Number of children receiving scholarships

Number of families benefitting from scholarships

- 75% of early care and education providers report satisfaction with the customer service, audit process, reporting process, payment process, communication process and training based on a survey conducted by the successful applicant.
 - 25% of early care and education providers are audited per region annually (see audit requirements detailed above in the Scope of Work)
 - 85% of early care and education providers that are audited are in compliance with all scholarship policies and procedures.

Exhibit K

First Things First - Arizona Early Childhood Development and Health Board Data Security Guidelines and Requirements for Collaborators

BACKGROUND:

The purpose of the Arizona Early Childhood Development and Health Board (First Things First - FTF) is to aid in the creation of a system that offers opportunities and support for families and communities in the development of all children, so they can grow up healthy and ready to succeed. Our work is accountable and transparent to decision-makers and the citizens of Arizona. Collaboration and direct funding of grantees to undertake work on behalf of the children and families of Arizona is fundamental to the purpose and mission of FTF. Regular submission of data related to funded work is an important part of ensuring accountability and maximum positive impact for young children, as well as a material condition of receiving FTF grant funding.

Data Security Guidelines for Data Submission to FTF

First Things First will ensure that resources allocated have maximum impact for the benefit of children and families. To ensure this accountability, FTF has established data reporting requirements for all state and regional grantees. All funded providers shall regularly submit programmatic and financial reports as identified in the FTF reporting requirements.

FTF data submissions are classified in one of three levels:

- **Public data**
- **Limited distribution data**
- **Confidential data**

The majority of FTF reporting submissions are completed through the FTF Partner Grant Management System (PGMS). Subsequent to the award of an FTF grant, the grantee will receive general training on login and navigation within the PGMS system. With this login, the grantee will be able to manage their contract information. An additional training on strategy-specific data submission requirements will also be conducted. During that training, the grantee will be informed on submission of data reporting requirements through PGMS. All data submitted through PGMS is **public data** or **limited distribution data**. Because PGMS is located in a secure extranet environment, grantees using PGMS for data submission are not required to undertake additional security measures related to their data submission above those identified in the general and data submission orientations (password and login security, guidelines for upload of narrative and other reports).

A small group of grantees submit data requirements, with an agreement between the grantee and FTF, through an established secure web service or FTP (File Transfer Protocol) site via the internet, rather than a PGMS web-based entry form. Such data is likely to contain limited distribution data and shall adhere to the following protocols. Grantees that submit data through the secure web service must submit data within the established data structures and format; follow all login procedures; submit a formal data change request form if needed; and ensure that limited distribution data may not be intercepted or viewed at any time by parties other than the grantee and FTF. Additionally, the grantee

must ensure that throughout the reporting and submission process the data is secured, and that any confidential data is de-identified and/or encrypted.

Any grantee submitting data identified as confidential must file a formal data security policy with FTF.

Data Security Guidelines for Grantee Maintenance of Data

In order to submit data to FTF in fulfillment of reporting requirements, grantees shall keep all data collected for their program(s) within their system (database) or hardcopies. Grantee data is likely to contain highly sensitive information on individuals, their education and their health. These guidelines and requirements are for the maintenance of those data.

All grantees must have a data security policy in force that identifies how the organization ensures that data is protected in all its forms, during all phases of its life cycle, from inappropriate access, use, modification, disclosure, or destruction.

All grantees subject to HIPAA, FERPA, GITA, tribal law, or other data regulation, are required to submit and maintain those approvals for all data.

Data Permission Guidelines for Grantee Data

All grantees must be prepared for FTF review of client-level data (e.g. child-level, teacher-level, or early care and education provider-level) during on-site visits. Additionally, FTF data reporting requirements may include submission of client-level data (e.g. child-level, teacher-level, or early care and education provider-level). The grantee agrees to allow FTF to access such data. Should the data be subject to HIPAA, the grantee agrees to enter into FTF's HIPAA Business Associate Agreement.

To inform clients of FTF's reporting requirements, all grantees must include in their client enrollment forms the statement: "To comply with reporting requirements of the funding source, I grant permission to [insert grantee organizational name] to release background, service, and impact related information to the Arizona Early Childhood Development and Health Board, also known as First Things First." The grantee warrants to FTF that prior to entering into the grant agreement for FTF funding, it has appropriately enquired and satisfied itself that it has the ability and authority comply with the requirements of this section.

Grantees Serving Clients on Tribal Lands

First Things First honors tribal ownership of data and recognizes communication is necessary with Arizona Tribes to determine what process/protocol is needed to obtain data. FTF further recognizes Arizona Tribes as owners of their indigenous knowledge, cultural resources and intellectual property. To this end, it is imperative that all appropriate tribal approvals for data collection and submission to FTF must be obtained and kept on-file by the grantee and FTF for granting serving clients on tribal lands.

Compliance with Data Security Guidelines

The grantee acknowledges that failure to comply with any requirement of these Data Security Guidelines shall be a material breach of the grant agreement.

**END OF REQUEST FOR GRANT
APPLICATION**

FTF-STATE-15-0484-00